THE FINANCIAL POST

The Canadian Newspaper for Investors

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OTTAWA IGNORED THE WARNINGS OF LABOR TROUBLES

C. H. Cahan Evidently Had Full Grounds For His Conclusions

POLITICAL OUTLOOK

Premier Borden Returns to Face Many Problems—White's Future Uncertain

Special to The Financial Post

OTTAWA.—As announced by Sir Thomas White some time ago—and Sir Thomas will not soon forget the peremptory terms in which that cable of our beloved leader was couched—Premier Borden has returned and resumed the reins. There may not be much foundation in that allegation of Hon. R. Lemieux that the Government controls the columns of the daily press in Canada, but one might almost be tempted to think so at times. The return of Sir Robert is described as a scene of great popular enthusiasm, with people letting loose the pent-up flood of love. It may not be of the slightest significance, but the naked truth is that the great wave of feeling, if there was such, was purely internal. So far as cheering and other visible expressions of joy went, two flies in a sugar-bowl would have made nearly as much noise. General Morrison was a sort of co-demonstree with the Premier. He is a very popular figure in Ottawa, and it is understood that he is determined that the next time he comes back from a war he will come alone. It almost looked as though the Premier had been away so long that people had forgotten his existence.

Nevertheless, the House—particularly to the right of the Speaker—gave the Premier a warm welcome. He almost immediately crossed the floor and shook hands with the new leader of the Opposition, chatting a while with him. Afterwards he moved around among the benches, shaking hands with the members. Sir Sam Hughes sat on his hands until the last moment, like a schoolboy when he sees the teacher coming at him with a ruler, but he had to come to it, as once before. Sir Robert, as the writers on pugilism say, would not be denied; and they met in a firm grasp, as when one kicks up a frozen mackerel. Soon after, the Premier and most of the other members of the Cabinet left the House to discuss what had better be done about the incipient revolution in the West.

This is something which has dwarfed even the tariff in public interest. The seriousness of the situation is at last being recognized, even by the Government. If anarchy has not broken loose it is trying its hardest to do so.

Cahan's Work Useless

There is one man in Canada who has every right to point to the Government, and say: "I told you so!" For that is exactly what C. H. Cahan of Montreal did six months ago. When the Government asked him to assume the position of Director of Public Safety he took his office seriously, and soon unearthed a mass of evidence, proving that unrest was rapidly nearing the danger point in Canada. The Minister of Justice, to whom he made his reports, did not even deign the courtesy of a reply; nor can it be said that any member of the administration showed the slightest appreciation either of the Director of Public Safety's efforts or of the seriousness of the situation.

The train which led to the present outburst was being laid with the utmost publicity and effrontery, and those concerned in stirring up the trouble received direct encouragement from the failure of the Government to check o[illegible]unish offenders. Now the m[illegible]emselves tacitly admit [illegible]as something more than [illegible]rike on its hands. The [illegible]h historians will be li[illegible] the administration of Un[illegible]ment, will be a fatal ten[illegible]esitation at times when cons[illegible]ffort was plainly called for. [illegible]een too often a lap or

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CLIFTON HOTEL DEAL

Financing Will Include a Public Offering of Stock

It is expected that the formalities in connection with the deal whereby the United Hotels Company will take over the Clifton at Niagara Falls will be completed within a few days, and that shortly after an announcement of the plan of financing will be made. THE FINANCIAL POST learns that there will be an offering to the public along similar lines to the issues made in connection with the King Edward in Toronto and the Connaught at Hamilton. In view of the success of the company's ventures undertaken up to this time the proposition has more than usual interest for investors.

GUELPH FACES THE SAD REALITIES OF PUBLIC OWNERSHIP

Alderman Westoby Tells Ratepayers a Few Plain Business Truths

Ald. Westoby, of Guelph, president of the Radial Railway Board of that city, has found it necessary, on account of the demands of the employees of the road, to tell the residents of Guelph exactly where their civic-owned road stands. The Radial Railway should not be confused with the Guelph Junction road. The latter is a good paying proposition, but the management of it is in the hands of the C. P. R., which has it on a 99-year lease. It is, in fact, the one good investment that Guelph has made.

The directors of the Guelph Radial used to have a habit of handing over a cheque to the city treasurer at intervals, said cheque supposedly representing profits on operation. Much was made of these handing-over occasions, and the chances are that the residents believed that the road was making money.

Ald. Westoby, who apparently is a sound financier, tells the city in a report to council that the road is losing over a thousand a month. His statement is:

"When we took over the road we found that it was running at a big loss, and at the present time the road is not only not earning a cent over cost, but running behind $3,000 every quarter." He placed the loss as follows:—

February	$ 997.65
March	1,924.71
April	155.13
	$3,077.49

Nor were there prospects of any improvement. "This road," continued Ald. Westoby, "will have to have $40,000 spent on it in the very near future owing to its wretched physical condition if it is going to continue running at all."

It cannot be said that the rate of wages paid is accounting for the trouble. The present schedule is 28c per hour, and 68 hours per week. A full week's work at that rate yields a man about $19.

Experts who have looked over the city-owned road in Guelph point out that it is not even charged as a privately-owned road would be. It gets off with fewer road repairs, a rather open method of charging for power, it has not allowed sufficient for depreciation, and to make immediate payments less it has issued long-term debentures, some as high as 20 or 30 years, for rolling stock that could not, under very favorable circumstances, have a life of even half that time.

Now, with the demand for a new schedule of wages, it is estimated that the road to pay operating expense and the new wages, would have to have an extra revenue that would amount to $29,893.34. This is equal to 3.25 mills on the present assessment of Guelph.

Guelph should have had an official of the Westoby type on that radial board before. It is one of the faults of public ownership that those in charge like to make a showing. They have in mind the coming election, and ratepayers like to vote for a man who has "made a showing."

Guelph at least knows the facts of the case now. Whether or not it faces them is that city's own business. Its radial road cannot meet present charges with present revenue. How can added charges be met? It would be necessary to have a seven or eight cent fare, and were this done the patronage of the road would be less.

SHORT ONTARIO CROP BUT WEST PROMISES WELL

Cold, Wet Weather in the East Has Curtailed Seeding

SEEDING ADVANCED

Operations About Completed in Saskatchewan — Winds Have Done Little Damage —Rain Would Do Good

By F. M. CHAPMAN,
Editor "Farmers' Magazine."

Crop yields in Ontario and Eastern Canada generally, must of necessity be light this year. Cold wet weather has prevented seeding in time. Reports from all sections of the province to THE POST, show unsown acreage variously estimated from 10 to 50 per cent. of the tillable land, while the total areas unsown appear to be fully 35 per cent. Pastures, clovers, and meadows though are showing good grass growths, but there is a scarcity of feeding concentrates, say the big dealers. Carload orders by farmers have to be turned down, a fact that shows little coarse grains left in farmers' hands. Unless the late sown lands can produce buckwheat, late oats, and good corn crops, a big scarcity of feeding stuffs faces eastern farmers this fall. Taking it all over the province, the year is a very peculiar one, as good crops and poor crops are strangely adjacent.

Western Canada appears to be off to a good start. Edward Oliver of Regina, in a wire to THE POST says that seeding in Saskatchewan is practically completed. High winds have done very little damage, hardly any reseeding is necessary and crops are in excellent condition and making rapid growth. There is sufficient moisture at present, although rain would be beneficial, especially in north and north-western parts of province, where very little rain has fallen this year. All livestock is reported in good condition. Some cattle reported lost in bush fires in northern part of province.

Seagar Wheeler, the noted wheat improver of Rosthern, in a despatch this week, bears out the Regina despatch about lack of rain, "Although we have had no rain since last July, the wheat crop is nicely above the ground and in a healthy condition."

Increased Areas in Alberta

Reliable reports from Alberta show that the 1919 crop areas in that province have increased from 7,935,896 acres in 1918 to 9,451,000 this year. This million and a half increase in acreage is divided among all crops, this increase being noted in wheat, 500,000 acres; oats, 900,000 acres; barley, 100,000 acres.

The storm in early May as reported in THE POST recently, caused much loss in Alberta livestock. The storm began with soft snow and developed a gale with a velocity of 60 miles an hour, and cattle perished in ditches, lakes, against wire fences, and over cutbanks.

Grain conditions in the U. S. will be noted in the crop report issued on June 9th. This report will give an estimate of the acreages of spring wheat, oats and barley, and the conditions of winter wheat and other crops.

Western Canada livestock situation is not very good this year, owing to storms in Alberta, bush fires in Northern Saskatchewan, and shortages of feeds and costly distribution. In the East, feeds have been very high in price, hay selling up to $30 at farms. James E. Poole, of Chicago, writing in the "Farmer's Magazine" yesterday, says that present prospects warrant good summer and fall markets for medium light and common cattle, bovine trash of all kinds, also hogs, but the sheep and lamb outlook is dubious, despite the bullish influence of a healthy wool market. Retailers and other meat distributors cannot be cured of predatory habits in a moment and it is doubtful if the public will buy much beef cut from steers selling above $1 per cwt., but 900 to 1,050-lb. steers that did not get the benefit of war conditions will be wanted, as they furnish a grade of beef the public can buy and yield good profits to both packer and distributor.

Experience of Unions Against Collective Bargaining

IN the present social crisis the way of safety is the way of the old-established Trades Unions. There we find a leadership—based on years of experience in the practical business and industrial issues of the day—which understands the problems of the employer and the mutual interests of capital and labor.

The grave menace is that labor—deluded by the cleverly organized underground workers who have for the time being usurped the power of the rightful leaders and have thrown off intelligent control with the idea of organizing the Trotzky form of government for Canada, such is now being attempted in Winnipeg and Toronto—may be led into a false position. For this situation the attitude of those employers who have opposed trade unionism is largely responsible. It has led workers to seek protection under and heed and believe in the misrepresentations of the scheming organizers for an Anarchist Government.

In the last few weeks there has been a tremendous increase in the membership of old unions and the organization of thousands of non-unionists into new societies. This has all been directed from one enemy centre in Toronto, using English, Irish and Scotch as their mouthpieces, and Toronto gets its orders from Germany via New York. There are a number of different organizations, many of them within other bodies. A few men are controlling and directing the whole Canadian labor situation, aiming to eventually control Canada. They have organized various groups with different memberships and with slightly varying objects. These parties range from those who want the murder of employers, the nationalization of woman with the Free Love Bureaus, all the way down to the great mass of workers who merely desire better understanding and fairer treatment that they may work in amity with their employers. Besides the many new organizations the central group has been getting its rapidly increasing organizers into the old unions, to agitate, to make converts to their plausible theories and eventually secure a majority in each union.

The success in Winnipeg has made the enemy group less secretive. The Toronto centres has its emissaries now working in the smaller places, even among the farmers and the returned soldiers. The latter are the one class they are afraid of. The platform now being adopted by the less extreme sections right across Canada explains the object of the Revolution and shows how these are to be attained as follows:

Object

The complete destruction of all political institutions—Cabinet, Senate, Commons, Provincial and Municipal Legislatures—and the substitution therefor of the workers and soldiers' councils as the governing authority.

How Attained

1. The first act is to be the seizure of present Governmental powers working up from municipal to national.
2. The abolition of the military; the seizure of all their arms and munitions, also all arms in the possession of the employer class and the equipping of the proletariat army.
3. Replace all present courts by our own.
4. Seize all financial institutions, railways, and large industries.
5. Seize all farm homes and lands and give them to the laborers and poor settlers.
6. Seize and occupy all city homes, food and other contents in the possession of the owners.
7. Destroy all property used to produce wealth.

Unions Abandoned Collective Bargaining Years Ago

Nominally, we are having a strike for the right of collective agreements. This is what experienced employers want. It is what experienced trade unionists do not want. It was proposed at the suggestion of the Master Printers and Bookbinders' Association in Toronto as far back as 1898. There were seven unions involved. A five-year collective agreement was made. At the end of that time the Typographical Union, the most powerful body, said: "No more collective agreements for us. We have been handicapped by them. We have aided other organizations to secure higher pay than they deserved, while we were prevented from getting the increases we ourselves were entitled to." To this may be added that Toronto Master Printers were the first in the world to grant the nine-hour day. They were among the first on the eight-hour day, and when their chief competitors, the United States publishers and printers, reduce from the 48 to the 44-hour week, they will promptly do the same.

Similar factors for dissatisfaction were emphasized when the Toronto Building Trades were called out at 10 o'clock yesterday. Many of the men were reluctant to go as they have everything to lose and nothing to gain. The metal workers are looked on with disfavor by the Building Trades unionists. During the war the Metal Workers had steady work at big wages, while the Building Trades were dead, and many carpenters, brick layers and plumbers were working as porters. Now that the metal workers are being put on the same level with the building trades, and because they are making a few cents an hour less than they made during the war, they call out the building trades who have just begun to get a little work.

The unfairness of this is slowly dawning on the level-headed Union man and when he properly realizes how he has been duped, the unions will be the ones to suffer. The Metal Workers have done well during the war, they have their bank accounts while the man in the building trades has nothing.

Some of the men are saying quite freely that they have been sold by a few Austrian-German Bolsheviki who are in the pay of the I.W.W. and whose aim is the stirring up of a revolution, the overthrow of the present Government and the setting up of a workman's council.

The Problem to be Faced

The situation is well in hand in the United States because real Americanism has asserted itself. Sam Gompers, the great Labor leader, began in time to expose the foreign plots to undermine the workers. He caused a counter campaign. The plotters were arrested and not released on newspaper demands. Here, Sir Robert Borden engaged Mr. Cahan, formerly leader of the Nova Scotia Opposition, to handle the situation in Canada, but the foreign influence in our Government—the same influence that caused the release of Trotzky from a Nova Scotia internment camp—removed him immediately the Prime Minister's back was turned.

The great problem of the moment is to bring to Trades Unionism a realization of the falseness of many of the doctrines now being preached by leaders who have not the cause of the worker at heart, but who seek political power for themselves—to whom social unrest is in fact a means of livelihood, power and plunder. This has been made perfectly clear by the investigations of Senator Robertson, himself a trade unionist, and an old-time Labor leader.

CITIZENS HAVE A DUTY TO PERFORM

A feature of the strike at Winnipeg which has not only been responsible for maintaining public service but has undoubtedly been a factor in the preservation of law and order, has been the spirit displayed by the citizens. Apart altogether from any feelings they may have with regard to the outcome of the strike, residents of other cities which may become involved in the strike movement will have to consider their duty to the community as did the citizens of Winnipeg. The assurance of the union leaders that necessary services will not be interfered with has been given in Toronto, but such promises are not to be relied upon. Steps should be taken at once to effect at least the skeleton of an organization which may be called upon in the event of water, milk, bread and other necessary supplies being cut off. Life, health and property cannot be endangered.

PREPOSTEROUS HYDRO CLAIMS AS TO SAVINGS

Public Ownership Responsible For Natural Reductions

MONTREAL'S EXAMPLE

Some Figures to Show How Montreal Power Co. Has Cut Prices, Both Before and Since Advent of "Hydro"

By Resident Representative.

MONTREAL.—The latest illustration of the extravagant claims that the Hydro-Electric press seem to think it necessary to employ to "save the face" of their unbusiness organization,, is furnished in the statement that, "The Hydro-Electric system has saved Toronto citizens $12,500,000 in the cost of lighting and power in the last seven years. Hurrah for the Hydro-Electric!"

This claim, of course, is based on the preposterous theory that if the "Hydro" had not appeared on the scene, there would have been no reductions in light or power rates under private ownership.

That this assumption is preposterous can be established first by the ordinary kindergarten principle of similar companies, namely, that whenever a company can bring into effect lower rates, it pays it to do so. Consumption invariably is increased to such an extent as more than compensates for the lower rates.

Preposterous, again, when the history of light and power rates in the City of Montreal are investigated as an analogy, as was done by THE FINANCIAL POST this week. It was thought best to trace the record of the private-owned institution, the Montreal Light, Heat & Power Company back several years before the advent of the "Hydro" in Toronto seven years ago. Had figures covered only the period coinciding with the Toronto Hydro's existence, the Hydro answer—true to its past record—would have been: "Oh, the Montreal

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305 Branches in Canada Extending from the Atlantic to the Pacific.

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Dividend No. 129

Notice is hereby given that a dividend at the rate of 10 per cent. per annum upon the Paid-up Capital Stock of the Union Bank of Canada, has been declared for the current quarter, and that the same will be payable at its Banking House in the City of Winnipeg, and also at its branches, on and after Monday, the 2nd day of June, 1919, to shareholders of record at the close of business on the 16th day of May next.

The Transfer Books will be closed from the 17th to the 31st day of May, both days inclusive.

By order of the Board,

H. B. SHAW,
General Manager.

Winnipeg, April 17th, 1919.

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Edward C. Pratt, General Manager

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305-306 Bank of Hamilton Building, Toronto

NEW BUSINESS IN STEEL TRADE IS IMPROVING

Big Orders For Tubes For First Time in Many Months

AMERICAN SITUATION

An Increase in Volume of Steel Buying Reported, Including Substantial Orders for Steel Rails

By A. R. KENNEDY
Editor, "Canadian Machinery"

Business prospects in the steel trades continue to look bright in spite of conditions rather than by their assistance. For the first time in many months the FINANCIAL POST has heard of big orders being placed for such lines as boiler tubes. For a long time the buying of tubes has been limited by the minimum of what could be got along with. There has been no disposition to buy for stock. If business was in sight the firms needing tubes would buy them—enough for the order on hand, but no more. There was no confidence in the market. Last week orders were placed by one Ontario firm for a dozen car loads of boiler tubes. This firm is going ahead now and will make boilers for stock, certainly one of the most gratifying developments that we have noticed for some time. Another Toronto firm placed an order that will take five cars. It is also worthy of note that the placing of an order of this size was sufficient to gain a considerable reduction on what has for some time time been regarded as a "fixed" price on this line. All that was needed to test the market was a good sized order.

Warehouses are putting plate in stock now, a thing they have not done for many months. As a matter of fact, during the war they could not get it for stock, and since that time the price has been so uncertain that they have not felt justified in buying for stock in a market that might decline.

Pittsburgh Reports

The mills in Pittsburgh claim, according to THE FINANCIAL POST'S correspondent there, that there has been an increase in the volume of steel buying. The statement applies to all products with the possible exception of tin plate, and includes even open hearth rails, for which the Railroad Administration has placed the long deferred order for 200,000 tons. There is something interesting in connection with this order. It was placed "under protest," as the director of the roads still considered that there was a fixed price in the market. The big point is, though, that he placed the business. If he keeps on placing business the mills will find no fault if he does keep on protesting.

Operating Rate

Since practically the beginning of the year the rate of steel mill operation has been declining continuously, the monthly ingot report indicating 87 per cent. operation in January, 85 per cent. in February, 77 per cent. in March and 65 per cent. in April, while the rate lately may be estimated at 55 per cent. There has been little fluctuation in the rate of new buying in these months, certainly no progressive decline, and the decrease in operations has been due to the gradual exhaustion of old orders. The increase in buying now noted may not be sufficient to make up for the winding up of old orders, so that mill operations may experience some further decrease, but even at that it is encouraging that part at least of the exhaustion of old orders is followed by the placing of fresh orders.

Steel Prices

The great majority of steel producers insist that they are adhering to the recognized prices. This may be true, but in some quarters it is claimed that on almost any finished steel product a cut price could be obtained if the prospective buyer could offer a sufficiently attractive order. Obviously on carload or other small lots for immediate shipment the mills would be indisposed to cut prices. In this connection it is to be noted that the American Locomotive Company has distributed plate orders aggregating 3,000 tons to four mills, the base price being 2.50c Pittsburgh, or $3 a ton under the regulation price of 2.65c. In explanation of the cut price it is stated that this was "export" business because the locomotives will be made to go to Italy. As the British price on plates is equal to about 3.90c and the French price, if there is one, would be still higher, it cannot be said that a cut price on these plates was necessary in order to meet competition on the finished locomotives, but it might have been necessary to encourage placing of the locomotive order at this time.

With a decent chance things should improve for the steel business in Canada. Investors know that the steel group in Canada has been paying a good dividend, and stocks now are not at points that alter this feature. An improvement setting in now would be sure to find its reflection in prices here, particularly as the U.S. steel groups are much in favor at the moment.

PRICES UP TO STAY

WASHINGTON.—Otto H. Kahn, of Kuhn, Loeb & Co., New York, in a communication to Secretary of Labor Wm. B. Wilson, expresses the firm belief that prices will not be materially lowered for a number of years, if at all, and that for all practical purposes at least the war has brought a new level of prices, the existence of which must be recognized.

A GOOD OUTLOOK FOR THE CANNERS

Growing Weather Now Helping, But Small Fruits Will Be Short

The growing season for cannery products, while somewhat late in starting, has during the past week, been very satisfactory. Early indications promise a fair yield of fruit, while in some lines, such as peaches, the prospects are for a bumper crop. On the other hand there is a world shortage of small fruits, and canners and jam manufacturers generally are bidding strongly for them, and as a result prices have been forced very high.

Canners are contracting strawberries at 25c a box, and in some instances, raspberries as high as 16c and 17c. This means of necessity a very high selling price, which may militate against their sale, though it is probable that the export market which has grown accustomed to high prices may be firm enough to ensure a market.

CANADA TO ROOT FOR TRADE IN ENGLAND

And the British Should Not Get Cross About It, Says Foster

LONDON—That Canada must produce and sell, to work out her natural destiny to the best advantage, and that in so doing her manufacturers would "root" for business in England was frankly explained to a large company of British peers and members of Parliament, assembled as guests of the British Commonwealth Union. The Canadian intrusion might at times give English susceptibilities something of a shock, but it was the shock as of a dose of medicine—given by a friendly member of the family with most beneficial and happy results. As a Canadian Finance Minister of past years he remembered what a terrible thing they thought it was when he presented the Canadian Parliament with a budget of $38,000,000, and told them of a debt of $300,000,000. They never dreamed then of a Canadian debt of 1½ billion dollars, and a Canadian budget nearly approaching the billion mark. Figures indeed had become so large that they cease to have any restraining influence. The moral he drew from his survey of the whole situation, especially within the Empire, was:

"We must produce and sell, and if we would reap the fullest fruits we must do it as a community of nations within the Empire. 'Don't be surprised,' he said, 'if you find Canada rooting about here on business, and don't get cross about it. We Canadians feel that we have just as much right to come to London on business as the trader of Glasgow, and just as much right as you have to come to Canada in pursuit of trade, as we beg you to do. That is the spirit which spells success for this Empire of ours, which tends to develop the great estate of which we are the trustees and make it the greatest of all influences for good in the future as it has been for the past eight or nine centuries."

It was in this spirit that he welcomed the beginning made in Mr. Chamberlain's Budget when he gave the first statutory enunciation of the principle of Preference in British finance. Let no one suppose he was attempting to interfere in British politics when he expressed confidence that the British Parliament would accept this first step in a new business fraternity. It was not alone in tariffs, not perhaps in tariffs chiefly, that the spirit of Empire partnership could most forcibly be expressed.

WESTINGHOUSE ELECTRIC

Surplus of $10 a Share on Combined Capital Stock

NEW YORK.—Westinghouse Electric & Manufacturing Co. has issued its pamphlet report for the year ended Mar. 31, 1919, showing surplus after all charges and federal taxes of $15,059,008, equivalent to $10.06 a share earned on the $74,812,650 combined, preferred and common stock outstanding (the two issues sharing alike in dividends after 7% on the common). In the previous year the surplus amounted to $15,405,681, or $10.29 a share on the total stock capital.

Gross earnings in the 1919 year far exceeded any previous record in the company's history, aggregating $160,379,943, against $95,735,407 in the preceding year and $43,733,646 in 1914, the best pre-war showing.

LABOR TROUBLE DISTURBING THE MILLING TRADE

Large Export Orders Available, But Some Mills Lie Idle

WESTERN SITUATION

Big Plants at Winnipeg Are Closed and Outlook is Not Bright at Number of Other Points

By J. L. RUTLEDGE,
Editor "Canadian Grocer."

The labor situation is proving a very serious factor in the milling industry at the present time. With large export orders once more available, some of the largest mills are at present lying idle, and there seems to be some uncertainty as to whether or not the orders for export business can be satisfactorily handled under present conditions. At the present time the Winnipeg Mills are closed and the situation is not any too bright in other parts of the West. In fact for some time past there has been a mere trickle of shipments from anywhere west of the great lakes, and as a result the Ontario Mills have been put to it to meet the demands made upon them.

Under the first panicky suggestion of strike there was a marked buying movement for local consumption, but apparently the retailer and wholesaler has now secured what stocks he feels he needs and is prepared to await any possible change before buying further. At the present, therefore, there is really less domestic demand than there was some weks ago. This is perhaps fortunate in view of other conditions, for it releases the bulk of the available flour to meet the export orders. This is not a condition that can last forever, however, and if there should be any prolongation of the strike in Winnipeg, or if it should spread to other centres in serious proportions, the mills would certainly have difficulty in meeting the demands of their export orders, and the satisfactory conditions that these have engendered in the industry would have to be modified.

Western Canada Mills

Officials of the Western Canada Flour Mills Company state that their Winnipeg mills have been closed for practically the whole period of the strike, and that while the Calgary Mills of the company are in operation, they are not able to much more than look after the domestic business, while there is every possibility of the strike movement in Calgary gaining headway and closing these mills also. As a matter of fact, since the Winnipeg strike was inaugurated there has been practically no movement of flour eastward. Some stocks on hand prior to the strike have trickled through, but not in quantities to materially relieve the situation, so that the Goderich mill is having to bear the burden of the Eastern domestic business and the entire export business of the company, which with a capacity limited to 2,500 barrels daily this mill is scarcely equal to the task.

CANADA'S COAL PRODUCTION

March Figures Were Above the Year's Average

OTTAWA.—The production of coal in Canada is being well maintained, according to reports received by the Dominion Bureau of Statistics from the individual mines, the figures for March being substantially the same as the average for the eleven months previous. Imports of coal during March, however, were considerably less than during the corresponding month of 1918, imports of bituminous being 613,417 tons, compared with 1,022,467 in March, 1918, and of anthracite 152,457 tons, compared with 377,598 in March 1918. The figures of production, by districts, follow:

	Monthly Average	March Output
Nova Scotia	473,663	475,345
New Brunswick	21,257	11,319
Saskatchewan	26,736	25,330
Alberta Bituminous ..	265,498	255,476
Alberta Anthracite ..	10,155	11,080
Alberta Lignite	218,864	220,457
British Columbia	217,101	240,266
Total for Canada	1,233,273	1,239,275

NEW CHAIN OF STORES

Two New Companies Are Now Operating in Toronto

Two new chains of grocery stores have been inaugurated in Toronto during the past few days. One of these chains, known as the Dominion Stores, Ltd., under the Canadian management of W. J. Pentland, have opened their first store, and will open another store on Queen Street next week. While it is understood that the directors of this new enterprise are in some instances associated with the Atlantic and Pacific Tea Company that operates a monster chain of retail stores in the United States, it is denied that there is any association between this company and the one just inaugurated.

Still another chain has been started under the name of the Loblaw Groceterias, Ltd. T. P. Loblaw, formerly president of the Loblaw Stores, Ltd., and recently appointed manager of the sales department of the United Farmers of Ontario, in company with J. Milton Cork, a retailer of the city, is behind the venture, and have already purchased one store, which will be opened during the coming week, and are negotiating for two others. Mr. Cork will be manager of the new concern, Mr. Loblaw continuing in his association with the United Farmers.

WORKINGMEN ON DIRECTING BOARDS

Big London Department Store Man Expresses Progressive Views

By GORDON SELFRIDGE
In London "Daily Chronicle."

"The idea of directors being a race apart is an antique, mid-Victorian theory. So far as our organization is concerned we want only directors who thoroughly understand the business that they are trying to direct. My view is best illustrated by telling you that we do not call the people that work for us employees, but members of our organization. It is our system that members shall have the opportunity to fill any post in this business to which their abilities and experience entitle them. All our directors are practically members of our working organization, and each is the head of the section in which he has specialized. When a man or woman enters this house, he or she is made to feel that a career is offered to which a limit is set only by lack of ability or merit. Letters of introduction can do no more than gain the applicant an interview. If the applicant is engaged, his introducer is forgotten, whoever he may be."

HOW UNITED STATES VIEWS BIG STRIKE

American Opinion Inclined to Look Askance at Evidences of Bolshevism

Just returned from a business visit to Buffalo, Mr. C. K. Dodds, of Green, Dodds & Co., refers with some concern to the effect upon business opinions in Buffalo at the state of affairs in Canada as regards labor. From interviews with very representative business men, the presidents and vice-presidents of several banks and heads of large financial businesses Mr. Dodds has formed the firm impression that business in Buffalo looks upon labor affairs in Canada as showing symptoms of Bolshevism pure and simple. There is not much disposition in Buffalo, at all events, to regard the Canadian strikes as merely local labor disputes. "Of course Buffalo is not New York," remarks Mr. Dodds. "But then Buffalo opinions influence New York from the undoubted feeling that Buffalo being nearer to Canada and more in touch perhaps with Canadian affairs, opinions of Buffalo business men are very likely to be based on accurate knowledge of Canadian conditions.

"Several considerable industrial investments contemplated by American concerns who planned coming over into Canada quite soon, have been halted by these labor disturbances," said Mr. Dodds to THE FINANCIAL POST. "Whether they will soon come back to the original intention should the labor troubles be effectually settled is even doubtful. The President of one important bank believes that U.S. Exchange will go to 5% against Canada. On the other hand another bank president believes that exchange will come easier for Canada. Opinions in fact are very varied as regards Canadian conditions and prospects, but there is no question that investment in Canadian industrial development from the United States is discouraged by the present state of affairs."

INTERNATIONAL MARINE

A Showing of $22.72 on the Preferred Stock in 1918

New York.—Net earnings of International Mercantile Marine Co. were approximately equal to $22.72 a share for the $51,725,000 preferred stock in the fiscal year ended December 31, 1918, basing the estimate on President Franklin's statement that the showing last year was substantially the same as in 1917. Surplus for dividends on the preferred stock in 1917 totaled $15,475,985, but a special charge of $3,722,476 against depreciation on steamships reduced this aggregate to $11,753,509, equivalent to $22.72 on the preferred stock.

International Mercantile Marine Co., made its best showing in 1916. Gross earnings in that year after providing for British war taxes were $60,602,010, compared with $41,604,208 in 1917 and $51,056,579 in 1915. Surplus for dividends on the preferred stock in 1916 was equivalent to $42.10 a share.

SCIENCE AND DEVELOPMENT OF INDUSTRIES

Prof. Maclennan Tells of Millions That Went Up Chimneys

GAS AND CYNAMID

Calgary's Smokestacks Belch Much Helium—Gas Wells of British Columbia Produce Constituents of Ammonia

By Resident Representative.

OTTAWA.—Some exceedingly interesting and valuable information is elicited at the meetings of the Committee of Scientific Research, which has had leading Canadian educationalists and scientists testifying before it. Mr. Hume Cronyn, of London, is the chairman of the committee, and is unusually well fitted for such a position. Particularly interesting was the information given to the committee at its last meeting by Prof. MacLennan, of Toronto University.

Prof. McLennan has recently returned from Great Britain, where he went to do scientific work in connection with naval defence. So successful was this Canadian scientist that he was offered the position of scientific adviser to the British Navy, and the scientists of Great Britain had united in asking him to accept the position.

Prof. MacLennan told a story of the most absorbing interest to the committee, which had a wonderful power in convincing them of the necessity of Canada dealing with the question of scientific research in a courageous and earnest manner. He said that some investigations he made in 1916 showed him that wealth to the amount of $50,000,000 a day, at the valuation then put on one great war necessity, was pouring out of the chimneys of Calgary. We could have secured there two million cubic feet of helium a month, which would have been a great aid in ending the war, if delivered in France, as it would have been in June of this year. If this matter had been taken up in 1916, as was urged, and as was afterwards done, it would have been of incalculable benefit. This product is not worth $50,000,000 to-day, as the cost of production has been cheapened by scientists, about one hundred thousand times; but even to-day there is wealth going up those Calgary smoke stacks to the value of about $100,000 a day. We may yet find an outlet for it.

Cyanamid in B. C.

Referring to the natural gas wells in British Columbia, he said he had found 99 per cent. of nitrogen; which was looked on as valueless by the operators, "because it would not burn." At the Slave Lake power plant, in the same province, there was every constituent for making cyanamid, from which is obtained one of the most valuable fertilizers—ammonia. Prof. MacLennan pointed to the fact that Germany had been bringing nitrates from Chile, and exporting them as a fertilizer to China, on condition that they got the preference on her crop of Soya beans, which were used in Germany as the basis of synthetic food stuffs and cattle food. China would be a natural market for the fertilizing products of British Columbia. These are the dreams of scientists which create wealth; and the instances given are typical of hundreds equally striking.

Research and Marine Service

Prof. MacLennan told the committee how Great Britain had wakened up in the matter of scientific research. Before the war she was far behind other countries in the matter; but her eyes had been opened by what research had done. At the present time it is proposed to allocate a sum of about one hundred thousand pounds for research in the Navy and the mercantile marine for next year.

One statement made by Prof. MacLennan, upon which particularizing was not permitted, was that on Aug. 29, 1918, the Straits of Dover were absolutely closed, presumably electrically, and after that date no enemy submarine got through—"and none ever will," he added. Among the other Canadian scientists who had a big part in this work were Prof. Eve of McGill, and Prof. Boyle, of Alberta.

Research and Production

Prof. MacLennan urged on the committee that if Canada is to pay its debt, we must increase our national wealth by building up and developing new industries. We have labor and intellect but they are not being used to the best advantage. We must create national wealth which we can send out of the country. That means that we must manufacture more cheaply than other countries. He advocated the establishing of a central institute of research at Ottawa in order to con-concentrate for efficiency.—T.M.F.

MONEY FOR U.S. ROADS

Director-General Hines Asks An Additional $1,200,000,000

WASHINGTON.—Walker D. Hines, director-general of railroads, has transmitted the following estimate to the Secretary of the Treasury for submission to Congress, asking for the sum of $1,200,000,000 to be immediately available, and to remain available until expended, and to be added to and considered a part of the "revolving fund" provided for in section 6 of the Act, approved March 21, 1918. This additional sum would be expended in the same manner and for the same purpose, and under the same conditions as the amount appropriated in the above mentioned section.

MUST HAVE SHIPS, SAYS LLOYD HARRIS

Tonnage is Essential if Canada's Balance of Trade is to be Maintained

By Resident Representative.

OTTAWA.—Lloyd Harris contends that if Canada is to maintain her trade at the billion and a half to which she raised it from about half a billion before the war, it will take much searching for markets and ships—particularly the latter. Mr. Harris does not seem very sanguine that we can maintain the record made in war years, and certainly not without ships. Some reform in our shipping laws is one of the first steps necessary, with all shipping companies in the Canadian trade transferred to the Canadian register, so that they will be available for use in Canadian trade. At present 70 per cent. of the space from Canada is handled by the British Government. Next month this will be decreased to 50 per cent. Canada should have about one million tons of shipping at her disposal. Norway, which is our biggest competitor in timber in Europe, had three million tons before the war.

The demand in Europe at present is first for clothing, food and building supplies; and second—for railway supplies. There is a great opening for B.C. lumber if it could be put on the European market in competition with Norway.

The impression appears to be that Canada should seek markets in other parts of the British Empire, such as South Africa, Australia and New Zealand. But here, as elsewhere, the drawback is lack of shipping, and the necessity of getting all we can under Canadian register is urgent.

OIL WELLS NOW USED TO CATCH "SUCKERS"

Thousands of Promotion Companies Are Being Formed in the States

By Special Representative

NEW YORK.—Oil now reigns supreme with that portion of the American public to whose numbers according to P. T. Barnum, one is added every minute. In normal times investment brokers estimate that the American public sinks annually in questionable promotion enterprises, over $200,000,000. If the present pace, so far as "investing" in oil shares continues, in New York City, this sum will be sunk in oil companies alone. Between 4,000 and 5,000 promotion companies have been formed already this year and the end is not yet. Their number is being added to daily.

Oil company promoting is to-day the game of most of the gentry who in former days were given to selling land under water, wild cat gold mines, off color "motors" and questionable airplane stocks. They are taking full advantage of the fact that a handful of men have made a fortune in a very short time out of oil, and the boom in questionable oil shares is the result.

According to the post office authorities, tons upon tons of "literature" are being distributed to all parts of the country, and the amount being shipped from New York City is daily growing larger. According to local investment brokers, in spite of the efforts of the Government to combat it, people in all parts of the country are being induced to surrender Liberty bonds in exchange for beautifully lithographed stock certificates, impressively decorated with perfect forests of gushers. And if reports may be believed it is not only the poor and the foolish that are falling victims to the wiles of stock salesman, but the speculative fever seems to permeate all classes.

Many Americans will look back upon the year 1919 as the year in which he got "stung" in oil.

H. N. Taylor, the new president of the American National Coal Association, whose members control an aggregate production of 335,000,000 tons of coal annually, sees big business for the coal companies in coming months. He says the decrease in production from January 1 to June 1 this year will be 50,000,000 tons of bituminous and 8,000,000 tons of anthracite.

CANADA SHOULD ASK PREFERRED SHIPPING POLICY

Great Britain Should Grant This For Increased Preference

SCANDINAVIA BEST

Most Promising Outlook For Trade as They Require no Credits—Should Develop Basic Industry Exports

By SIR CHARLES GORDON.

I think that the Government of Great Britain through some form of subsidy or some other way, I do not know just how it can be done, but in some way there should be some preferential use of shipping in the interests of the British Empire. The British Empire is tied together by ships. The United States is tied together by railways. The United States has a system of railways which reaches every part, practically, of their empire, because there is nothing outside, except the Hawaiian Islands and the Philippine Islands. It is tied in by a railway system, and that system is controlled by the Government to a very great extent by the Railway Commission and by the Interstate Commerce laws. The railways of our Empire happen to be ships, and every part of the British Empire is tied together by ships, or should be, and therefore I think that the services between the different portions of the Empire should receive more attention, and a preferential treatment should be given from the services between the British Islands over that which neutral countries should receive.

I do not think that ships can ever be successfully operated from Canada. I do not know what is the policy of the Canadian Government about shipping. No doubt it was a good thing to commence building ships at the time it was inaugurated. I do not think that the movements of ships, which is a most complicated business, can be carried on successfully except from great centres like the British Isles, from where they can go to all parts of the globe, taking with them the manufactured commodities of the British Isles and returning with cargoes from the various countries with which the British Isles are trading.

I do think that we should press for some policy which will give us preferential treatment in the Empire in the matter of shipping. They are very much opposed to this, very much, and although all Canadians in London think it is very necessary, I do not think that those who are connected with the shipping interest in Great Britain will look upon it favorably in the meantime. They asked me: "Why should we?" They say that 'if Canada builds proper kinds of docks at Halifax, Quebec and Montreal you will get all the ships you want.' My answer was this: 'Canada cannot embark on a tremendous programme of spending money, several hundred millions, on improving these ports and then awaken to find that she is in exactly the same relative position to New York as in the beginning and before she spent the money.' That would happen, I am afraid, unless some kind of preferential shipping arangement was made between Great Britain and Canada, because New York has many natural advantages which we could never hope to offset unless we had preferential arrangements in the direction of shipping. So far as leadership in the world's shipping is concerned I think that will remain with Great Britain.

In the matter of Imperial preference, I have a few words to say. You have heard a great deal about this Imperial council, Imperial preference, and the development of the Empire, and a great deal has been said at after-dinner speeches which doesn't amount to very much really. I do not think, as I said a moment ago, that we have ever reached a period in our existence as an Empire when it would be more likely than that an Imperial policy could be successfully launched, and there is a good deal of feeling in England along these lines. The Chancellor of the Exchequer, Mr. Chamberlain, a few days ago showed in a very mild form, I must say, that he recognized the principle of Imperial preference, and although the preferences which he gave were, so far as Canada is concerned, of no great consequences, still they are the opening wedge in a policy which can be expanded in the future, and I do not think that we should be under any delusions as to how the Imperial policy in regard to Canada can be carried out. It cannot be one-sided, especially when one considers the position in which Great Britain finds herself to-day. Britain is looking for markets and there are markets within her own Empire which to-day are being exploited to a very large extent by strangers. The exports of the United States to Canada were some $800,000,000 while importations from Canada to the United States were something like $500,000,000. When we talk about Imperial preference throughout the Empire, we have to remember that point. We must not think that it is possible for British statesmen to encourage a preference policy in regard to Canada unless we are prepared to reciprocate, and I think it should be a policy—I know it is a policy already but it has been rather dead for some time, but it should be part of our policy that if Great Britain undertakes to give us preferential treatment in the way of shipping and cables and other services which knit together the Empire, and also gives us preference in our commodities which go into Great Britain we must adopt a similar policy also in regard to the exports of Great Britain which should find a market in Canada, and endeavor so far as possible to throw whatever trade we possibly can into her hands—trade now going to neutral countries.

Norway, Denmark and Sweden

In England I saw the Trade Commission for Roumania, and in Paris the Commission from Greece of which Venizelos is a member. The fact that Canada was the only country that created a credit for them had a very favorable impression. There is a great deal of business for us in these countries, and others of the Balkans, but perhaps Sir Thomas White considers that he has advanced sufficient credit. The Scandinavian countries, Norway, Denmark and Sweden, should be good customers of ours and as they have made money during the war they do not require credits like the Balkans. Poland is very anxious to trade with us, but when you get their representatives into a room and ask them where they are going to get the money to pay they simply shrug their shoulders—they do not know.

I would like to impress the point that we should use our efforts in connection with export trade chiefly along the lines of developing what we may term out basic industries, foodstuffs, pulp and paper, etc.

In regard to the Canadian Trade Commission in London, I want to say just a few words, that you must not depend on the Mission in London to do your selling or to get your business there. Most of you are in a very much different position from what you were at the beginning of the war. All great companies have managed to get out of debt. I have no doubt that some bankers do not like that, but they have. They are in a different position to what they were five or ten years ago, and they can afford to spend a little money now on propaganda and sending their representatives to England, France and Scandinavia, because it is not by grouping together on a lot of trade and sending men with a hundred and odd lot of things to sell that you get business. He will simply waste his time around the Trade Commission offices. If he goes over thoroughly posted on his own industry, and can represent it properly and has the latest price lists, and when goods can be ready, and when ships can be secured, and give complete information of his line, he will do some business over there, but this grouping together and sending people over there to kick around the Canadian Trade Commission and land in there and expect them to do business, well, it will not work at all.

The Canadian Trade Commission is for the purpose of dealing with the higher questions of expansion of trade. It will endeavor to deal with shipping questions, endeavoring to get better shipping facilities from Canada, with financial questions to some extent, advising representatives of industry who go to London as to the best countries in which to commence business, and with a number of general questions, but those of you who really want to sell goods must take a chance and spend a little money. It will do you little harm even if you do not sell goods. The Lyons Expositition did not result in a great deal of definite business. It resulted in some, but it gave Canada a wonderful advertisement, and it is going to make it much easier for every one of you to do business now. A great number of French people were astonished to know that Canada was a manufacturing country at all. They found that Canada made a great many things that they did not know were made here.

PORTO RICO.

The Porto Rico Railways Company reports gross earnings for the month of April amounting to $94,515 against $86,677 for the corresponding month in the previous year, an increase of $7,837 or 9 per cent. Net earnings for the month at $34,574, show a falling off of $2,906 or 7.7 per cent. For the four months ending with April the gross totalled $375,552, an increase of $40,427, or 12 per cent. while net earnings amounting to $129,940, showed a decline of $21,483 or 14.1 per cent.

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Union Bank of Canada

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Notice is hereby given that a dividend at the rate of 10 per cent. per annum upon the Paid-up Capital Stock of the Union Bank of Canada, has been declared for the current quarter, and that the same will be payable at its Banking House in the City of Winnipeg, and also at its branches, on and after Monday, the 2nd day of June, 1919, to shareholders of record at the close of business on the 16th day of May next.

The Transfer Books will be closed from the 17th to the 31st day of May, both days inclusive.

By order of the Board,

H. B. SHAW,
General Manager.

Winnipeg, April 17th, 1919.

The Dominion Bank

HEAD OFFICE - - TORONTO

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Edward C. Pratt, General Manager

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NEW BUSINESS IN STEEL TRADE IS IMPROVING

Big Orders For Tubes For First Time in Many Months

AMERICAN SITUATION

An Increase in Volume of Steel Buying Reported, Including Substantial Orders for Steel Rails

By A. R. KENNEDY
Editor, "Canadian Machinery"

Business prospects in the steel trades continue to look bright in spite of conditions rather than by their assistance. For the first time in many months the FINANCIAL POST has heard of big orders being placed for such lines as boiler tubes. For a long time the buying of tubes has been limited by the minimum of what could be got along with. There has been no disposition to buy for stock. If business was in sight the firms needing tubes would buy them—enough for the order on hand, but no more. There was no confidence in the market. Last week orders were placed by one Ontario firm for a dozen car loads of boiler tubes. This firm is going ahead now and will make boilers for stock, certainly one of the most gratifying developments that we have noticed for some time. Another Toronto firm placed an order that will take five cars. It is also worthy of note that the placing of an order of this size was sufficient to gain a considerable reduction on what has for some time time been regarded as a "fixed" price on this line. All that was needed to test the market was a good sized order.

Warehouses are putting plate in stock now, a thing they have not done for many months. As a matter of fact, during the war they could not get it for stock, and since that time the price has been so uncertain that they have not felt justified in buying for stock in a market that might decline.

Pittsburgh Reports

The mills in Pittsburgh claim, according to THE FINANCIAL POST'S correspondent there, that there has been an increase in the volume of steel buying. The statement applies to all products with the possible exception of tin plate, and includes even open hearth rails, for which the Railroad Administration has placed the long deferred order for 200,000 tons. There is something interesting in connection with this order. It was placed "under protest," as the director of the roads still considered that there was a fixed price in the market. The big point is, though, that he placed the business. If he keeps on placing business the mills will find no fault if he does keep on protesting.

Operating Rate

Since practically the beginning of the year the rate of steel mill operation has been declining continuously, the monthly ingot report indicating 87 per cent. operation in January, 85 per cent. in February, 77 per cent. in March and 65 per cent. in April, while the rate lately may be estimated at 55 per cent. There has been little fluctuation in the rate of new buying in these months, certainly no progressive decline, and the decrease in operations has been due to the gradual exhaustion of old orders. The increase in buying now noted may not be sufficient to make up for the winding up of old orders, so that mill operations may experience some further decrease, but even at that it is encouraging that part at least of the exhaustion of old orders is followed by the placing of fresh orders.

Steel Prices

The great majority of steel producers insist that they are adhering to the recognized prices. This may be true, but in some quarters it is claimed that on almost any finished steel product a cut price could be obtained if the prospective buyer could offer a sufficiently attractive order. Obviously on carload or other small lots for immediate shipment the mills would be indisposed to cut prices. In this connection it is to be noted that the American Locomotive Company has distributed plate orders aggregating 3,000 tons to four mills, the base price being 2.50c Pittsburgh, or $3 a ton under the regulation price of 2.65c. In explanation of the cut price it is stated that this was "export" business because the locomotives will be made to go to Italy. As the British price on plates is equal to about 3.90c and the French price, if there is one, would be still higher, it cannot be said that a cut price on these plates was necessary in order to meet competition on the finished locomotives, but it might have been necessary to encourage placing of the locomotive order at this time.

With a decent chance things should improve for the steel business in Canada. Investors know that the steel group in Canada has been paying a good dividend, and stocks now are not at points that alter this feature. An improvement setting in now would be sure to find its reflection in prices here, particularly as the U.S. steel groups are much in favor at the moment.

PRICES UP TO STAY

WASHINGTON.—Otto H. Kahn, of Kuhn, Loeb & Co., New York, in a communication to Secretary of Labor Wm. B. Wilson, expresses the firm belief that prices will not be materially lowered for a number of years, if at all, and that for all practical purposes at least the war has brought a new level of prices, the existence of which must be recognized.

A GOOD OUTLOOK FOR THE CANNERS

Growing Weather Now Helping, But Small Fruits Will Be Short

The growing season for cannery products, while somewhat late in starting, has during the past week, been very satisfactory. Early indications promise a fair yield of fruit, while in some lines, such as peaches, the prospects are for a bumper crop. On the other hand there is a world shortage of small fruits, and canners and jam manufacturers generally are bidding strongly for them, and as a result prices have been forced very high.

Canners are contracting strawberries at 25c a box, and in some instances, raspberries as high as 16c and 17c. This means of necessity a very high selling price, which may militate against their sale, though it is probable that the export market which has grown accustomed to high prices may be firm enough to ensure a market.

CANADA TO ROOT FOR TRADE IN ENGLAND

And the British Should Not Get Cross About It, Says Foster

LONDON—That Canada must produce and sell, to work out her natural destiny to the best advantage, and that in so doing her manufacturers would "root" for business in England was frankly explained to a large company of British peers and members of Parliament, assembled as guests of the British Commonwealth Union. The Canadian intrusion might at times give English susceptibilities something of a shock, but it was the shock as of a dose of medicine—given by a friendly member of the family with most beneficial and happy results. As a Canadian Finance Minister of past years he remembered what a terrible thing they thought it was when he presented the Canadian Parliament with a budget of $38,000,000, and told them of a debt of $300,000,000. They never dreamed then of a Canadian debt of 1½ billion dollars, and a Canadian budget nearly approaching the billion mark. Figures indeed had become so large that they cease to have any restraining influence. The moral he drew from his survey of the whole situation, especially within the Empire, was:

"We must produce and sell, and if we would reap the fullest fruits we must do it as a community of nations within the Empire. 'Don't be surprised,' he said, 'if you find Canada rooting about here on business, and don't get cross about it. We Canadians feel that we have just as much right to come to London on business as the trader of Glasgow, and just as much right as you have to come to Canada in pursuit of trade, as we beg you to do. That is the spirit which spells success for this Empire of ours, which tends to develop the great estate of which we are the trustees and make it the greatest of all influences for good in the future as it has been for the past eight or nine centuries."

It was in this spirit that he welcomed the beginning made in Mr. Chamberlain's Budget when he gave the first statutory enunciation of the principle of Preference in British finance. Let no one suppose he was attempting to interfere in British politics when he expressed confidence that the British Parliament would accept this first step in a new business fraternity. It was not alone in tariffs, not perhaps in tariffs chiefly, that the spirit of Empire partnership could most forcibly be expressed.

WESTINGHOUSE ELECTRIC

Surplus of $10 a Share on Combined Capital Stock

NEW YORK.—Westinghouse Electric & Manufacturing Co. has issued its pamphlet report for the year ended Mar. 31, 1919, showing surplus after all charges and federal taxes of $15,059,008, equivalent to $10.06 a share earned on the $74,812,650 combined, preferred and common stock outstanding (the two issues sharing alike in dividends after 7% on the common). In the previous year the surplus amounted to $15,405,681, or $10.29 a share on the total stock capital.

Gross earnings in the 1919 year far exceeded any previous record in the company's history, aggregating $160,379,943, against $95,735,407 in the preceding year and $43,733,646 in 1914, the best pre-war showing.

LABOR TROUBLE DISTURBING THE MILLING TRADE

Large Export Orders Available, But Some Mills Lie Idle

WESTERN SITUATION

Big Plants at Winnipeg Are Closed and Outlook is Not Bright at Number of Other Points

By J. L. RUTLEDGE,
Editor "Canadian Grocer."

The labor situation is proving a very serious factor in the milling industry at the present time. With large export orders once more available, some of the largest mills are at present lying idle, and there seems to be some uncertainty as to whether or not the orders for export business can be satisfactorily handled under present conditions. At the present time the Winnipeg Mills are closed and the situation is not any too bright in other parts of the West. In fact for some time past there has been a mere trickle of shipments from anywhere west of the great lakes, and as a result the Ontario Mills have been put to it to meet the demands made upon them.

Under the first panicky suggestion of strike there was a marked buying movement for local consumption, but apparently the retailer and wholesaler has now secured what stocks he feels he needs and is prepared to await any possible change before buying further. At the present, therefore, there is really less domestic demand than there was some weks ago. This is perhaps fortunate in view of other conditions, for it releases the bulk of the available flour to meet the export orders. This is not a condition that can last forever, however, and if there should be any prolongation of the strike in Winnipeg, or if it should spread to other centres in serious proportions, the mills would certainly have difficulty in meeting the demands of their export orders, and the satisfactory conditions that these have engendered in the industry would have to be modified.

Western Canada Mills

Officials of the Western Canada Flour Mills Company state that their Winnipeg mills have been closed for practically the whole period of the strike, and that while the Calgary Mills of the company are in operation, they are not able to much more than look after the domestic business, while there is every possibility of the strike movement in Calgary gaining headway and closing these mills also. As a matter of fact, since the Winnipeg strike was inaugurated there has been practically no movement of flour eastward. Some stocks on hand prior to the strike have trickled through, but not in quantities to materially relieve the situation, so that the Goderich mill is having to bear the burden of the Eastern domestic business and the entire export business of the company, which with a capacity limited to 2,500 barrels daily this mill is scarcely equal to the task.

CANADA'S COAL PRODUCTION

March Figures Were Above the Year's Average

OTTAWA.—The production of coal in Canada is being well maintained, according to reports received by the Dominion Bureau of Statistics from the individual mines, the figures for March being substantially the same as the average for the eleven months previous. Imports of coal during March, however, were considerably less than during the corresponding month of 1918, imports of bituminous being 613,417 tons, compared with 1,022,467 in March, 1918, and of anthracite 152,457 tons, compared with 377,598 in March 1918. The figures of production, by districts, follow:

	Monthly Average	March Output
Nova Scotia	473,663	475,345
New Brunswick	21,257	11,319
Saskatchewan	26,736	25,330
Alberta Bituminous	265,498	255,476
Alberta Anthracite	10,155	11,080
Alberta Lignite	218,864	220,457
British Columbia	217,101	240,266
Total for Canada	1,233,273	1,239,275

NEW CHAIN OF STORES

Two New Companies Are Now Operating in Toronto

Two new chains of grocery stores have been inaugurated in Toronto during the past few days. One of these chains, known as the Dominion Stores, Ltd., under the Canadian management of W. J. Pentland, have opened their first store, and will open another store on Queen Street next week. While it is understood that the directors of this new enterprise are in some instances associated with the Atlantic and Pacific Tea Company that operates a monster chain of retail stores in the United States, it is denied that there is any association between this company and the one just inaugurated.

Still another chain has been started under the name of the Loblaw Groceterias, Ltd. T. P. Loblaw, formerly president of the Loblaw Stores, Ltd., and recently appointed manager of the sales department of the United Farmers of Ontario, in company with J. Milton Cork, a retailer of the city, is behind the venture, and have already purchased one store, which will be opened during the coming week, and are negotiating for two others. Mr. Cork will be manager of the new concern, Mr. Loblaw continuing in his association with the United Farmers.

WORKINGMEN ON DIRECTING BOARDS

Big London Department Store Man Expresses Progressive Views

By GORDON SELFRIDGE
In London "Daily Chronicle."

"The idea of directors being a race apart is an antique, mid-Victorian theory. So far as our organization is concerned we want only directors who thoroughly understand the business that they are trying to direct. My view is best illustrated by telling you that we do not call the people that work for us employees, but members of our organization. It is our system that members shall have the opportunity to fill any post in this business to which their abilities and experience entitle them. All our directors are practically members of our working organization, and each is the head of the section in which he has specialized. When a man or woman enters this house, he or she is made to feel that a career is offered to which a limit is set only by lack of ability or merit. Letters of introduction can do no more than gain the applicant an interview. If the applicant is engaged, his introducer is forgotten, whoever he may be."

HOW UNITED STATES VIEWS BIG STRIKE

American Opinion Inclined to Look Askance at Evidences of Bolshevism

Just returned from a business visit to Buffalo, Mr. C. K. Dodds, of Green, Dodds & Co., refers with some concern to the effect upon business opinions in Buffalo at the state of affairs in Canada as regards labor. From interviews with very representative business men, the presidents and vice-presidents of several banks and heads of large financial businesses Mr. Dodds has formed the firm impression that business in Buffalo looks upon labor affairs in Canada as showing symptoms of Bolshevism pure and simple. There is not much disposition in Buffalo, at all events, to regard the Canadian strikes as merely local labor disputes. "Of course Buffalo is not New York," remarks Mr. Dodds. "But then Buffalo opinions influence New York from the undoubted feeling that Buffalo being nearer to Canada and more in touch perhaps with Canadian affairs, opinions of Buffalo business men are very likely to be based on accurate knowledge of Canadian conditions.

"Several considerable industrial investments contemplated by American concerns who planned coming over into Canada quite soon, have been halted by these labor disturbances," said Mr. Dodds to THE FINANCIAL POST. "Whether they will soon come back to the original intention should the labor troubles be effectually settled is even doubtful. The President of one important bank believes that U.S. Exchange will go to 5% against Canada. On the other hand another bank president believes that exchange will come easier for Canada. Opinions in fact are very varied as regards Canadian conditions and prospects, but there is no question that investment in Canadian industrial development from the United States is discouraged by the present state of affairs."

INTERNATIONAL MARINE

A Showing of $22.72 on the Preferred Stock in 1918

New York.—Net earnings of International Mercantile Marine Co. were approximately equal to $22.72 a share for the $51,725,000 preferred stock in the fiscal year ended December 31, 1918, basing the estimate on President Franklin's statement that the showing last year was substantially the same as in 1917. Surplus for dividends on the preferred stock in 1917 totaled $15,475,985, but a special charge of $3,722,476 against depreciation on steamships reduced this aggregate to $11,753,509, equivalent to $22.72 on the preferred stock.

International Mercantile Marine Co., made its best showing in 1916. Gross earnings in that year after providing for British war taxes were $60,602,010, compared with $41,604,208 in 1917 and $51,056,579 in 1915. Surplus for dividends on the preferred stock in 1916 was equivalent to $42.10 a share.

SCIENCE AND DEVELOPMENT OF INDUSTRIES

Prof. Maclennan Tells of Millions That Went Up Chimneys

GAS AND CYNAMID

Calgary's Smokestacks Belch Much Helium—Gas Wells of British Columbia Produce Constituents of Ammonia

By Resident Representative.

OTTAWA.—Some exceedingly interesting and valuable information is elicited at the meetings of the Committee of Scientific Research, which has had leading Canadian educationalists and scientists testifying before it. Mr. Hume Cronyn, of London, is the chairman of the committee, and is unusually well fitted for such a position. Particularly interesting was the information given to the committee at its last meeting by Prof. MacLennan, of Toronto University.

Prof. McLennan has recently returned from Great Britain, where he went to do scientific work in connection with naval defence. So successful was this Canadian scientist that he was offered the position of scientific adviser to the British Navy, and the scientists of Great Britain had united in asking him to accept the position.

Prof. MacLennan told a story of the most absorbing interest to the committee, which had a wonderful power in convincing them of the necessity of Canada dealing with the question of scientific research in a courageous and earnest manner. He said that some investigations he made in 1916 showed him that wealth to the amount of $50,000,000 a day, at the valuation then put on one great war necessity, was pouring out of the chimneys of Calgary. We could have secured there two million cubic feet of helium a month, which would have been a great aid in ending the war, if delivered in France, as it would have been in June of this year. If this matter had been taken up in 1916, as was urged, and as was afterwards done, it would have been of incalculable benefit. This product is not worth $50,000,000 to-day, as the cost of production has been cheapened by scientists, about one hundred thousand times; but even to-day there is wealth going up those Calgary smoke stacks to the value of about $100,000 a day. We may yet find an outlet for it.

Cyanamid in B. C.

Referring to the natural gas wells in British Columbia, he said he had found 99 per cent. of nitrogen; which was looked on as valueless by the operators, "because it would not burn." At the Slave Lake power plant, in the same province, there was every constituent for making cyanamid, from which is obtained one of the most valuable fertilizers—ammonia. Prof. MacLennan pointed to the fact that Germany had been bringing nitrates from Chile, and exporting them as a fertilizer to China, on condition that they got the preference on her crop of Soya beans, which were used in Germany as the basis of synthetic food stuffs and cattle food. China would be a natural market for the fertilizing products of British Columbia. These are the dreams of scientists which create wealth; and the instances given are typical of hundreds equally striking.

Research and Marine Service

Prof. MacLennan told the committee how Great Britain had wakened up in the matter of scientific research. Before the war she was far behind other countries in the matter; but her eyes had been opened by what research had done. At the present time it is proposed to allocate a sum of about one hundred thousand pounds for research in the Navy and the mercantile marine for next year.

One statement made by Prof. MacLennan, upon which particularizing was not permitted, was that on Aug. 29, 1918, the Straits of Dover were absolutely closed, presumably electrically, and after that date no enemy submarine got through—"and none ever will," he added. Among the other Canadian scientists who had a big part in this work were Prof. Eve of McGill, and Prof. Boyle, of Alberta.

Research and Production

Prof. MacLennan urged on the committee that if Canada is to pay its debt, we must increase our national wealth by building up and developing new industries. We have labor and intellect but they are not being used to the best advantage. We must create national wealth which we can send out of the country. That means that we must manufacture more cheaply than other countries. He advocated the establishing of a central institute of research at Ottawa in order to concentrate for efficiency.—T.M.F.

MONEY FOR U.S. ROADS

Director-General Hines Asks An Additional $1,200,000,000

WASHINGTON.—Walker D. Hines, director-general of railroads, has transmitted the following estimate to the Secretary of the Treasury for submission to Congress, asking for the sum of $1,200,000,000 to be immediately available, and to remain available until expended, and to be added to and considered a part of the "revolving fund" provided for in section 6 of the Act, approved March 21, 1918. This additional sum would be expended in the same manner and for the same purpose, and under the same conditions as the amount appropriated in the above mentioned section.

MUST HAVE SHIPS, SAYS LLOYD HARRIS

Tonnage is Essential if Canada's Balance of Trade is to be Maintained

By Resident Representative.

OTTAWA.—Lloyd Harris contends that if Canada is to maintain her trade at the billion and a half to which she raised it from about half a billion before the war, it will take much searching for markets and ships—particularly the latter. Mr. Harris does not seem very sanguine that we can maintain the record made in war years, and certainly not without ships. Some reform in our shipping laws is one of the first steps necessary, with all shipping companies in the Canadian trade transferred to the Canadian register, so that they will be available for use in Canadian trade. At present 70 per cent. of the space from Canada is handled by the British Government. Next month this will be decreased to 50 per cent. Canada should have about one million tons of shipping at her disposal. Norway, which is our biggest competitor in timber in Europe, had three million tons before the war.

The demand in Europe at present is first for clothing, food and building supplies; and second—for railway supplies. There is a great opening for B.C. lumber if it could be put on the European market in competition with Norway.

The impression appears to be that Canada should seek markets in other parts of the British Empire, such as South Africa, Australia and New Zealand. But here, as elsewhere, the drawback is lack of shipping, and the necessity of getting all we can under Canadian register is urgent.

OIL WELLS NOW USED TO CATCH "SUCKERS"

Thousands of Promotion Companies Are Being Formed in the States

By Special Representative

NEW YORK.—Oil now reigns supreme with that portion of the American public to whose numbers according to P. T. Barnum, one is added every minute. In normal times investment brokers estimate that the American public sinks annually in questionable promotion enterprises, over $200,000,000. If the present pace, so far as "investing" in oil shares continues, in New York City, this sum will be sunk in oil companies alone. Between 4,000 and 5,000 promotion companies have been formed already this year and the end is not yet. Their number is being added to daily.

Oil company promoting is to-day the game of most of the gentry who in former days were given to selling land under water, wild cat gold mines, off color "motors" and questionable airplane stocks. They are taking full advantage of the fact that a handful of men have made a fortune in a very short time out of oil, and the boom in questionable oil shares is the result.

According to the post office authorities, tons upon tons of "literature" are being distributed to all parts of the country, and the amount being shipped from New York City is daily growing larger. According to local investment brokers, in spite of the efforts of the Government to combat it, people in all parts of the country are being induced to surrender Liberty bonds in exchange for beautifully lithographed stock certificates, impressively decorated with perfect forests of gushers. And if reports may be believed it is not only the poor and the foolish that are falling victims to the wiles of stock salesman, but the speculative fever seems to permeate all classes.

Many Americans will look back upon the year 1919 as the year in which he got "stung" in oil.

H. N. Taylor, the new president of the American National Coal Association, whose members control an aggregate production of 335,000,000 tons of coal annually, sees big business for the coal companies in coming months. He says the decrease in production from January 1 to June 1 this year will be 50,000,000 tons of bituminous and 8,000,000 tons of anthracite.

CANADA SHOULD ASK PREFERRED SHIPPING POLICY

Great Britain Should Grant This For Increased Preference

SCANDINAVIA BEST

Most Promising Outlook For Trade as They Require no Credits—Should Develop Basic Industry Exports

By SIR CHARLES GORDON.

I think that the Government of Great Britain through some form of subsidy or some other way, I do not know just how it can be done, but in some way there should be some preferential use of shipping in the interests of the British Empire. The British Empire is tied together by ships. The United States is tied together by railways. The United States has a system of railways which reaches every part, practically, of their empire, because there is nothing outside, except the Hawaiian Islands and the Philippine Islands. It is tied in by a railway system, and that system is controlled by the Government to a very great extent by the Railway Commission and by the Interstate Commerce laws. The railways of our Empire happen to be ships, and every part of the British Empire is tied together by ships, or should be, and therefore I think that the services between the different portions of the Empire should receive more attention, and a preferential treatment should be given from the services between the British Islands over that which neutral countries should receive.

I do not think that ships can ever be successfully operated from Canada. I do not know what is the policy of the Canadian Government about shipping. No doubt it was a good thing to commence building ships at the time it was inaugurated. I do not think that the movements of ships, which is a most complicated business, can be carried on successfully except from great centres like the British Isles, from where they can go to all parts of the globe, taking with them the manufactured commodities of the British Isles and returning with cargoes from the various countries with which the British Isles are trading.

I do think that we should press for some policy which will give us preferential treatment in the Empire in the matter of shipping. They are very much opposed to this, very much, and although all Canadians in London think it is very necessary, I do not think that those who are connected with the shipping interest in Great Britain will look upon it favorably in the meantime. They asked me: "Why should we?" They say that 'if Canada builds proper kinds of docks at Halifax, Quebec and Montreal you will get all the ships you want.' My answer was this: 'Canada cannot embark on a tremendous programme of spending money, several hundred millions, on improving these ports and then awaken to find that she is in exactly the same relative position to New York as in the beginning and before she spent the money.' That would happen, I am afraid, unless some kind of preferential shipping arangement was made between Great Britain and Canada, because New York has many natural advantages which we could never hope to offset unless we had preferential arrangements in the direction of shipping. So far as leadership in the world's shipping is concerned I think that will remain with Great Britain.

In the matter of Imperial preference, I have a few words to say. You have heard a great deal about this Imperial council, Imperial preference, and the development of the Empire, and a great deal has been said at after-dinner speeches which doesn't amount to very much really. I do not think, as I said a moment ago, that we have ever reached a period in our existence as an Empire when it would be more likely than that an Imperial policy could be successfully launched, and there is a good deal of feeling in England along these lines. The Chancellor of the Exchequer, Mr. Chamberlain, a few days ago showed in a very mild form, I must say, that he recognized the principle of Imperial preference, and although the preferences which he gave were, so far as Canada is concerned, of no great consequences, still they are the opening wedge in a policy which can be expanded in the future, and I do not think that we should be under any delusions as to how the Imperial policy in regard to Canada can be carried out. It cannot be one-sided, especially when one considers the position in which Great Britain finds herself to-day. Britain is looking for markets and there are markets within her own Empire which to-day are being exploited to a very large extent by strangers. The exports of the United States to Canada were some $800,000,000 while importations from Canada to the United States were something like $500,000,000. When we talk about Imperial preference throughout the Empire, we have to remember that point. We must not think that it is possible for British statesmen to encourage a preference policy in regard to Canada unless we are prepared to reciprocate, and I think it should be a policy—I know it is a policy already but it has been rather dead for some time, but it should be part of our policy that if Great Britain undertakes to give us preferential treatment in the way of shipping and cables and other services which knit together the Empire, and also gives us preference in our commodities which go into Great Britain we must adopt a similar policy also in regard to the exports of Great Britain which should find a market in Canada, and endeavor so far as possible to throw whatever trade we possibly can into her hands—trade now going to neutral countries.

Norway, Denmark and Sweden

In England I saw the Trade Commission for Roumania, and in Paris the Commission from Greece of which Venizelos is a member. The fact that Canada was the only country that created a credit for them had a very favorable impression. There is a great deal of business for us in these countries, and others of the Balkans, but perhaps Sir Thomas White considers that he has advanced sufficient credit. The Scandinavian countries, Norway, Denmark and Sweden, should be good customers of ours and as they have made money during the war they do not require credits like the Balkans. Poland is very anxious to trade with us, but when you get their representatives into a room and ask them where they are going to get the money to pay they simply shrug their shoulders—they do not know.

I would like to impress the point that we should use our efforts in connection with export trade chiefly along the lines of developing what we may term out basic industries, foodstuffs, pulp and paper, etc.

In regard to the Canadian Trade Commission in London, I want to say just a few words, that you must not depend on the Mission in London to do your selling or to get your business there. Most of you are in a very much different position from what you were at the beginning of the war. All great companies have managed to get out of debt. I have no doubt that some bankers do not like that, but they have. They are in a different position to what they were five or ten years ago, and they can afford to spend a little money now on propaganda and sending their representatives to England, France and Scandinavia, because it is not by grouping together on a lot of trade and sending men with a hundred and odd lot of things to sell that you get business. He will simply waste his time around the Trade Commission offices. If he goes over thoroughly posted on his own industry, and can represent it properly and has the latest price lists, and when goods can be ready, and when ships can be secured, and give complete information of his line, he will do some business over there, but this grouping together and sending people over there to kick around the Canadian Trade Commission and land in there and expect them to do business, well, it will not work at all.

The Canadian Trade Commission is for the purpose of dealing with the higher questions of expansion of trade. It will endeavor to deal with shipping questions, endeavoring to get better shipping facilities from Canada, with financial questions to some extent, advising representatives of industry who go to London as to the best countries in which to commence business, and with a number of general questions, but those of you who really want to sell goods must take a chance and spend a little money. It will do you little harm even if you do not sell goods. The Lyons Expositition did not result in a great deal of definite business. It resulted in some, but it gave Canada a wonderful advertisement, and it is going to make it much easier for every one of you to do business now. A great number of French people were astonished to know that Canada was a manufacturing country at all. They found that Canada made a great many things that they did not know were made here.

PORTO RICO.

The Porto Rico Railways Company reports gross earnings for the month of April amounting to $94,515 against $86,677 for the corresponding month in the previous year, an increase of $7,837 or 9 per cent. Net earnings for the month at $34,574, show a falling off of $2,906 or 7.7 per cent. For the four months ending with April the gross totalled $375,552, an increase of $40,427, or 12 per cent. while net earnings amounting to $129,940, showed a decline of $21,483 or 14.1 per cent.

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MARKETS TURN DULL TOWARDS THE WEEK-END

Labor Unrest Has Some Effect on Attitude of Investors

PRICES ARE STEADY

No General Indication That Investing Public Fears Any Serious Trouble From Present Disturbances

With the New York Exchange closed on Friday and Saturday the Canadian exchanges became dull and inactive towards the week-end, a condition which was rendered more pronounced by the advent of warm weather and further developments in the labor situation. The Toronto and Montreal markets are largely echoes of the New York market and, when the latter became inactive, the condition in reflected to a considerable extent in Canada. When to this is added a certain amount of apprehension as to what may develop in business and industry as a result of strikes it is apparent that sentiment in investment circles will not be particularly bullish.

Some brokers are advising their clients to delay further buying of securities until the outlook becomes a little clearer, and a good many investors are inclined to adopt this policy in any case. But while buying has fallen off of late the position of the market is sound and there has been little, if any, selling. Very little stock is held on margin, which is a condition tending to maintain confidence. However uncertain the immediate future may be, there is faith in the ultimate solution of all difficulties and only the most timid of investors would consider sacrificing securities at the present juncture.

Bond Business Good

The bond market shows little sign of being affected by the labor situation and business is still good in this section of the investment field. Several important issues have been floated during the week and absorption of bonds is uninterrupted. The accumulation of savings deposits in the banks is an indication of the buying power of the market and a guarantee that there will be no setback for some time to come.

The mining market has been weak and reactionary and prices have sagged. Not only are mining securities affected by the general labor situation but there is unrest in the mining camps which may lead to a suspension of activities at the mines and in the mills.

New York Opinions

In their current market letter, Hayden, Stone & Co. point out that the best thing in the situation is that business is vindicating the market.

"There is no longer any question of improvement in the textile business that began to show up a couple of months ago. This is now extending to steel and copper. There is no special buying movement; just a steady day-to-day expansion in business. We have recently witnessed the struggle of the railroad administration in trying to stem the tide, and with what result? They have finally had to buy. Even if they saved a few dollars per ton in the cost of their rails, they probably lost much more in the business than they might have done if the order had been promptly placed. By the time that the next order is given, it is more than an even chance that it will be at a higher price.

"We do not agree with those who assert that the present movement of securities is just a bubble without any tangible reason or basis in fact. The truth is that tremendous economic forces are at work. We see the same process as was witnessed after the Civil War, only the forces now are world-wide and of much greater intensity. That inflation exists all over the civilized world, we do not deny. It is hardly too much to say that the world is off the gold basis.

"Some day there must be a reverse swing to the pendulum, and a market reflection of the enormous losses sustained during the war. Meantime, however, the needs of reconstruction are very real. The needs of Europe to buy enormous amounts of goods of all kinds, in depleted foreign currency, is—temporarily—not to be denied, and on top of this is the demand from the balance of the world which—formerly—supplied itself in Europe. There is a basis here for continuation of the present movement through months to come."

Discussing the recurrence of upward and downward movements in the stock market, J. S. Bache & Co., New York, say:

"The trend of the present market for the long pull is upward, and its underlying strength has not been sapped. Nevertheless, the bear theory is correct —namely, that every bull market is liable to a pronounced reaction somewhere along in its upward course. This reaction may be severe, but only temporary. Unexpected happenings, which are unfavorable and important, furnish the bears with ammunition whenever the technical situation, through over-speculation or otherwise, has become vulnerable. Thirty or more million-share days have transpired, but it is a question whether this volume is now a gauge of excessive activity, as it used to be. There are very numerous new goods on the shelves and the buying public is multiplied into many more thousands of customers, with more money than any American public ever had before. Consequently, we believe that the long trend is still upward, irrespective of possibly important reactions, and this belief is due to basic favorable factors, which have to do with the country's preeminent financial, industrial and agricultural position in the world; also with the force of public opinion, which has driven the Democratic party into assuming a constructive attitude toward business."

NEW BOND ISSUE FOR SPANISH RIVER

Reported in Montreal That United Financial Corporation Will Underwrite Large Issue

MONTREAL.—Plans are under way, THE FINANCIAL POST understands, by which a new issue in connection with the Spanish River Pulp and Paper Co. will be made, probably in the form of bonds to take care of the arrears in bond and note interest which amounted to over $1,400,000 one year ago. This issue, it is said, will be underwritten by the United Financial Corporation. This would leave the way clear for some action being taken on the arrears in preferred dividends which, on the 1913 issue, now amount to 42 per cent. The theory is that this arrearage will be taken care of by an additional issue of preferred stock covering the total, and that during the present year current dividends will be resumed on the preferred stock.

The foregoing report was referred to the Toronto offices of the company, where it was stated that there was nothing to the story. Officials of the company, while admitting that the industry is doing well, declare that it will be some considerable time before dividends in any form on the preferred stock can be resumed. In the meantime the company's year does not end until June 30, and the annual report will not likely be ready until September. Even if much larger profits are earned than in 1917-18, when net profits were $577,570, it must still be apparent that the time for placing the preferred stock on a dividend basis would be some distance off.

FLOUR MILLS MERGER

Rumor Revived Regarding Western Canada and St. Lawrence Cos.

By Resident Representative.

MONTREAL, May 30.—There has been a revival of the report that was current here some time ago, that a merger is anticipated between the Western Canada Flour Mills and the St. Lawrence Flour Mills. The presence of J. E. McFarlane, general manager of the Western Canada Flour Mills in Montreal recently, and the fact that he was in consultation with Thomas Williamson, of the St. Lawrence Flour Mills, whom the rumor credits with being the head of the merger, gives some plausibility to the report. The capital of the Western Canada Flour Mills Company is $2,124,700, on which a dividend of eight per cent. is paid on the common, that of the St. Lawrence Company is $1,200,000 common, and $575,000 preferred, paying six per cent. on the common with a bonus of 4 per cent.

NATIONAL STEEL CAR

According to the Globe negotiations between National Steel Car and the American Car and Foundry Company for the merging of the plants have been called off. The American company was unwilling to offer terms that were satisfactory to National Steel Car officials. The proposal to put up $500,000 with the bank and to pay the shareholders out of profits was not considered to be satisfactory, as there was no assurance that the plant would not merely be tied up to prevent further operations. Sir John Gibson was not enamored with the proposed terms of settlement. Under these circumstances the purchase price would be drawn out of the future earnings of the company.

TORONTO RAILWAY

Definite talk of the city taking over the system in 1921 and the probability of the men going out on strike have been factors in the market for Toronto Railway stock this week which has set a new low record of 39¼. A few holders are evidently very apprehensive as to the future but the majority are inclined to hold out, feeling that anything like a reasonable settlement will give them better returns than the present market.

TWIN CITY

Gross earnings of the Twin City Rapid Transit Company for the month of April totalled $882,220, an increase of $105,253 over the same month in 1918. Operating expenses at $619,380, were higher by $64,168, while net earnings amounting to $262,840 showed a gain of $41,085. For the four months ending with April the gross at $3,500,724, showed an increase of $266,367, and net at $904,951, showed an increase of $106,896.

The market for Twin City has been strong this week with the price as high as 53. Reports in connection with improved relations between the company and Minneapolis have evidently been a factor in the situation.

TEXTILE MILLS RAISE WAGES OF OPERATIVES

Reduce Weekly Scale to Fifty Hours and Raise Pay

PRICES WITHDRAWN

Lower Schedule No Longer in Effect—"Running Wild"—Not Fearing Tariff Changes

While there is a feeling in textile circles that some reduction may be made in the tariff in the budget of the Minister of Finance next week, such action should not cause the apprehension amongst shareholders that it might under normal conditions, when a heavy reduction in the tariff might open up the way to large importations from the British and United States mills. The condition at the present time is unusual, because outside competition is becoming less with the demand from Europe for goods not only from United States, but from Canada. A couple of months ago United States jobbers chiefly, and some manufacturers made what was considered as a regular "raid" upon Canada. This was partly due to a panic which struck the holders of heavy stocks owing to the slowness with which orders came to them in the early period after the armistice was signed. They were loaded up with heavy stocks bought at fairly high prices, while the manufacturers had goods on hand made up from high priced raw materials, and began to slash prices right and left. The Canadian market was flooded with United States representatives and some buying was done here at low figures. Canadian mills decided to make this impossible, and last month they reduced prices to a point that made it difficult to do much business with many of the United States salesmen.

In the last two or three weeks, however, conditions have changed. All the textile mills in Canada have withdrawn the price lists that they sent out in April, and in the case of Canadian Cottons, for instance, the general manager, T. O. Dawson, informed THE FINANCIAL POST that they could not accept any more orders for fall delivery and could do nothing more now to supply goods to the trade, except for spring of 1920. For this period salesmen would go out about August. Pretty much the same conditions apply to the other mills that are well booked up for fall business.

Moreover, word comes from the United States that prices are likely to run very much higher owing to the scarcity of goods, and, indeed, the reaction has come about and conditions seem to be going to the other extreme. The following is an extract that will be of interest to investors in textile securities from a New York correspondent of a Canadian mill this week, indicating that the market over there was beginning to "run wild."

There are no deliveries in first-class goods obtainable prior to August. The general market is about as wild as anything I have ever seen, and advances of 1 to 1½ cents per yard per day does not seem to cut any figure. Most lines of staples of well-known brands have been withdrawn from sale, and in fancy goods nothing is obtainable. Cheap Southern ticks have been also withdrawn from sale. If the export trade takes hold and they begin to sit up and take notice, I think we are going to have the wildest scramble this market has ever seen, and as to a continuance of this the idea is that there is no great stock of goods to break the market in case there is a let-up in the demand, and it looks as if this sort of thing would continue to the end of the year.

The Canadian manufacturer in question added this comment of his own to this letter: "My idea was that with no reserves the cotton market would go up slowly, but I had no idea of the wild market that is now in evidence across the border."

This week has seen an important development in the Canadian trade amongst the Canadian textile mills in the way of increased wages. The Dominion Textile Company announce an all-round advance of 10 per cent. in wages to take effect at once, and negotiations are going on now that may lead to an even greater advance taking place. Canadian Cottons, Limited, THE FINANCIAL POST is informed, has agreed to reduce the working hours of its employees from 57 to 50 hours, giving the same pay for the shorter time as for the longer. The offer was accepted by the employees and means close to 15 per cent. advance in the scale of wages. In addition the price of raw cotton very recently has risen over 6 cents a lb. and 36 cents is now being paid for spot delivery, which is very close to the highest point reached during the war. Now prices of 40 cents and even 50 cents a lb. are talked of, as the Southern planters cut down to a large extent the area they were cultivating in order just to keep prices up, and reports are that the crop itself is not in an average good condition.

A report from New York states that "textile operators have succeeded in securing a 48-hour week at a little better than the 54-hour pay in the New England cotton and woollen mills, a rise of 15 per cent. in wages, going into effect June 2nd by agreement between unions and manufacturers. This imposes a further high level of cost of production on textiles and to be reckoned with in future estimations of value in the market."

All over the reports are to the effect that there will be a large export business, and in addition there is a shortage of supplies, so that the prices of goods are likely to return to a great extent to the prices that ruled up to early in April.

MINIMUMS ABOLISHED

Open Trading Now Prevails at Montreal

MONTREAL.—Members of the Montreal stock exchange, by almost unanimous vote, to-day concurred in the proposal of the Governing Committee to abolish minimum prices, which, owing to war-time conditions, were reestablished in the autumn of 1917. The removal of the minimum restrictions will go into effect on Monday, June 2, next.

At a meeting held early last January, about the time that restrictions were removed at Toronto, the consensus of opinion expressed was in favor of the retention of the minimum levels until the signing of the peace treaty, but the protracted negotiations at Versailles, and the possibility of still further delay owing to the reluctance of the German Government to sign the treaty, have resulted in a change of sentiment.

CITY DAIRY

A few shares of City Dairy common sold during the week at 62½, this price comparing with a last previous figure of 55 early in April. This price has since failed to attract holders. For the preferred 91 is being bid, that being the figure of the last sales early in April.

AMES AND ATLANTIC

Dividends on Preferred Stocks Have Been Decided Upon

Very important events in the history, both of Ames, Holden, and Atlantic Sugar refineries took place on Thursday afternoon of this week when the directors of the two closely related companies met and decided to start current dividends on the preferred stock at the rate of 7 per cent. per annum. This action for this time followed a forecast in THE FINANCIAL POST of four months ago. No decision has been reached yet as to what will be done with the arrears in preferred dividends on both stocks.

At the Ames, Holden meeting, D. Lorne McGibbon retired from the presidency and became chairman of the Board, and T. H. Rieder, late president of the Canadian Consolidated Rubber Co., was elected president and general manager.

BELL TELEPHONE

Ex-rights Bell Telephone is selling around 125 as compared with 129 before the new issue was made. The price dropped to 124 and then strengthened a point.

MONTREAL TRAMWAYS & POWER

6½% Bonds

DUE 1924

PRICE: 101 and interest

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222 St. James Street, MONTREAL, Que.
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THE STERLING BANK OF CANADA

The Sterling Bank aims to establish with its clients the same harmonious co-operation that exists among its own departments.

FOR OFFICES, FACTORIES, INSTITUTIONS
STROMBERG-CARLSON INTER-COMM-PHONES
NEED NO OPERATOR OR SWITCHBOARD
STROMBERG-CARLSON TELEPHONE MFG. CO.
10 FRONT ST. TORONTO

Why we are backing
Pulp and Paper Securities

But one thought is in the mind of Canadian big business to-day—EXPORT.

And it is chiefly because Canada's Pulp and Paper Industry has proved its ability to get and hold EXPORT business that we believe in that Industry and are backing our belief with our resources.

In 1890, Canada's Exports of Pulp and Paper totalled **$120.** By 1912, they had grown to **$14,600,000.** In 1917, they had nearly quadrupled to **$52,000,000.** For fiscal year 1918-1919, they ran close to **$100,000,000**—nearly double what they were two years before.

To-day, the Pulp and Paper Industry is the largest of Canada's manufacturing EXPORT industries.

The future market for its products is limited only by its capacity to produce; and an immediate expansion is imperative if Canada is to cope with the sustained and increasing world-demand for her pulp and paper products.

It is because the possibilities of the Industry are only beginning to be appreciated by Investors that its chief requirement to-day is more capital.

For the same reason, the price of its securities is low in relation to their safety and income-return, and they therefore offer reasonable assurance of enhanced value as the possibilities of the Industry become more widely known.

It is for these reasons that, after minute examination by our staff of technical experts, we are backing the mortgage securities of Pulp and Paper Corporations that combine capable management and conservative capitalization with extensive timber holdings and large water-power resources.

In turn, we recommend these mortgage securities to the support of Investors as investments that are at once safe, profitable and patriotic.

ROYAL SECURITIES CORPORATION
LIMITED

TORONTO, 58 King Street West — MONTREAL, 164 St. James Street — HALIFAX, 200 Hollis Street

LYALL'S STARTS PEACE STRIDE ON FIRM BASIS

Earned 14½% on Common Even With Shells Cut Off

MAKING NEW LINE

Which Promises Well — Net Profits Almost as High as Previous Year's — Big Contracts Coming

With big business on munitions terminated abruptly four and a half months before the ending of the company's fiscal year, March 31, 1919, the net earnings of P. Lyall & Sons Construction Company showed only a slight drop from the very high figures reached in 1918, amounting this year to $1,314,582, compared with $1,491,082 one year ago, a decline of $176,500. This speaks well for the peace-time operations of the company, and the new year, with $8,000,000 of "commission" work in sight, as announced in last week's issue of THE FINANCIAL POST, should go far to establish fair earnings for the company when munitions are entirely to be left out of consideration. How far the extension of contracts will compensate for the war work is a matter only the future can settle. In any case, the 8 per cent. dividends would appear to be well assured, and the stock at the present price of about 69 gives the very high yield of 11.6 per cent. as the regular dividend that has been paid for over a year past is 8 per cent. per annum.

Earned 14½% on Common

Coming back to the annual report it is seen that after allowing for interest, sinking fund, restoration and a special reserve, and an item "amortization of plant" that has appeared in the last three years, there remained available for common dividends $254,236 as compared with $231,750 one year ago, which works out at 14.5 per cent. as against 13.2 per cent. one year ago. The reason for the larger per cent. earned on common this year with lower gross earnings is that the "amortization" item is much less, being only $198,838 as compared with $894,638 last year and $625,000 two years ago. The amounts for the first two years covered the entire cost of the shell and forging plants, while the United States Government is looking after the company's claim for the value of the latest plant erected for United States munitions, as well as for claims for work left incomplete, and raw material, etc. After paying the dividend of 8 per cent. on the common, there remained the sum of $114,236 to add to the surplus on hand, bringing the total to $402,001. This allows for the payment of the 1917 tax, and an allowance for the 1918 tax.

The following is a comparison of the profit and loss figures for the past three years, the two former of which carried a large volume of war business, while in the past year this ceased entirely when the armistice was signed, that is, over four months before the close of the company's fiscal year:

Profit and Loss

	1918-19	1917-18	1916-17
Earnings	$1,314,582	$1,491,082	$915,449
Less Amortiz	198,838	894,638	625,000
Less Bond int.	60,308	63,264	66,050
Less Sink. Fund.	50,200	47,400	44,500
Balance	$1,005,236	$ 485,780	$179,899
Pref. divid.	91,000	91,000	91,000
Balance	$ 914,236	$ 394,780	$ 88,899
Com. divid.	140,000	70,000	......
Balance	$ 774,236	$ 324,780	$ 88,899
Written off	340,000	163,030	......
Balance	$ 434,236	$ 161,750	$ 88,899
Tax. res.	320,000	......	......
Balance	$ 114,236	$ 161,750	$ 88,899
Prev. surp.	*287,765	204,102	115,202
Total surp.	$ 402,001	$ 365,852	$204,102

*After deducting business profit taxes, 1917, and reserve for 1918 tax.

Working Capital

Liquid Assets—		
Cash	$ 174,781	$ 111,186
Acc. rec.	2,533,415	808,803
Invent.	37,691	468,444
	$2,745,887	$1,388,433
Current Liabilities—		
Bills pay.	$ 342,587	$........
Accs. pay.	386,798	288,266
Accr. int.	9,884	10,386
Accr. divid.	15,166	15,166
Acc. wages, etc.	7,945	62,722
Balances due	492,876	244,180
	$1,255,256	$ 620,720
Bal. work. cap.	$1,490,631	$ 767,713
Gain for 1919	$ 722,918	

Liquid Assets Well Ahead

The balance sheet indicates a much improved liquid position for the company, and also makes clear the company's [illegible]ation to the outstanding cla[illegible]nst the United States Govern[illegible]or instance, the item account[illegible]ble stands at $2,533,415, a g[illegible]r $1,700,000 over last year, [illegible] was only $808,803.

Most, and indeed all of this is expected to be paid in in the near future in the form of cash. On the other hand, with raw materials and manufactured goods going in under the head of "accounts receivable" the item of inventories is much smaller, falling from $468,144 to $37,691. In current liabilities similar reasons have resulted in an item of bills payable of $342,587 that did not occur last year, while accounts payable are up about $100,000. The net result is that the working capital, which stood at $767,713 one year ago has increased to $1,490,631, nearly double.

The figures for the past two years compare as follows:

Several months before the armistice, your directors were convinced that the termination of the war was in sight, which would necessitate our acquiring other lines to maintain our manufacturing organization, that had proved itself most efficient. An experimental department was accordingly inaugurated with the view of developing certain new patent devices. We are pleased to report that while the experimental stage is not yet passed, a limited amount of business is already in sight, with good prospects of this field of operations becoming permanent.

The New Line.

An interesting statement was made by the president, Wm. Lyall, in the report, which will come before the shareholders at the annual meeting on Tuesday next, June 3. This concerns a new line of manufacture that the company will carry on, and which, THE FINANCIAL POST is informed, will mean a big business and good profits permanently.

HEAVY COSTS CUT DOWN C.P.R. NET

For First Four Months of Year Costs Were 87½%—Smallest Earnings in Ten Years

By Resident Representative.

MONTREAL.—The returns of the Canadian Pacific Railway Company for the month of April, and the summary for the first four months of the year, serve to bring home very clearly two outstanding points: one, that the traffic, in volume, is falling far behind that of last year, and that the increased freight and passenger rates also fail by a very large margin to keep pace with the heavy increases in wages, and to some extent, materials and other costs of operation.

Taking the month of April itself, the gross earnings were about the same as one year ago, the two years being $13,108,904 for 1919, and $13,328,148 in 1918. But for the month of this year the working expenses showed an increase from $9,873,459 to $11,020,280, leaving the net earnings only $2,088,624, as compared with $3,455,389 one year ago, a decline of $1,366,765. The increase in expenses thus was close to 12 per cent. in the year. Taking the ratio of operating expenses to gross earnings it is seen that in April, 1918, the percentage was 74.8, but this year this had risen to 84.1 per cent.

The four-month period ending April 30 shows an increase in gross earnings from $46,120,883 to $49,575,582, or $3,454,699. In spite of this the net earnings fell behind last year by $2,044,765, due to the fact that the operating expenses in the period rose from $37,913,821 to $43,413,285, an increase of $5,499,464. As this period covers the winter season the expenses rose even higher in their ratio to earnings, for this year they amounted to 87.5 per cent., as compared with 82.2 per cent. one year ago. This is all the more striking as the past winter was much more favorable to lower expenses of operation owing to the better weather than one year ago.

Below are given the comparative figures of earnings and expenses for both the months of April and the four months of the year to date:

April—	1919	1918	Change
Gross	$13,108,904	$13,328,848	—$ 219,943
Exps.	11,020,280	9,873,459	+ 1,146,821
Net	$ 2,088,624	$ 3,455,389	—$1,366,765
4 mos.—	1919	1918	Change
Gross	$49,575,582	$46,120,883	+$3,454,699
Exps.	43,413,285	37,913,821	+ 5,499,464
Net	$ 6,162,296	$ 8,207,062	—$2,044,765

ONTARIO STEEL PRODUCTS.

Ontario Steel Products, common, has come into the market during the last week in greater quantity than for some time, and a gain in price is noted. It rose up to 35 against the 27 at which it started the year. Business is good with the firm. The fact that the company purpose extending their operations in the manufacture of springs by the erection of a plant in Oshawa, does not mean that the works in Gananoque devoted to this branch of industry will be removed. It is a fact that the spring factories at Gananoque and at Chatham are inadequate to met the growing trade in automobile springs, and it is natural that any extension proposed should be made at Oshawa, where a large part of the output must be delivered. At a meeting recently of representatives of Ontario Steel Products and the town of Oshawa an agreement was entered into whereby a fixed assessment of $20,000 for ten years was granted to the municipality, together with concessions as regards water supply, sewers and roads, which will be submitted to the rate payers at a later date. An effort will be made to break ground for the new plant by July 1, and it is hoped to be able to commence production in Decem[illegible]

PLATE CONTRACT MAY BE CANCELLED

Government Likely to Make a New Proposition to Dominion Steel

Although no definite announcement has been made, it is regarded at Ottawa as practically decided that the contract with the Dominion Iron and Steel Company to build a plate mill at Sydney will be cancelled. Mr. Mark Workman and Hon. C. C. Ballantyne, Minister of Marine and Fisheries, will have a conference to discuss the whole matter. It is believed that a new contract will be offered the company in which the Government would agree to give a small amount per ton over the Pittsburgh price, and would guarantee to take about half the amount it was obliged to take under the present contract.

If the present contract remained the Government would pay $83.00 or perhaps $85.00 per ton and take 250,000 tons in five years. Since the armistice it has become evident that the United States price would never come near that figure. It is considered doubtful if the Iron and Steel Co. will be willing to accept the terms of the new contract which will be offered them. In that case the Government will pay the expense incurred to date in building the plate mill. In that case the only alternative to dropping the enterprise altogether will be for the Government to finish the work and operate it itself.

The Dominion Iron and Steel Corporation will no doubt be protected in the matter, although there is nothing in the order-in-council covering the agreement in reference to cancellation. The nearest approach to such a thing is the naming of the date when manufacture shall commence.

The agreement, nevertheless, as at first drawn, was very advantageous to the company, and would have meant a long run at a price well above the competitive market.

5½%—

is the rate we pay for money left with us for a fixed period of from three to five years.

Enquire personally or write for booklet

National Trust Company Limited

Capital Paid-up, $1,500,000 Reserve - - $1,800,000

Assets Under Administration, $80,000,000

18-22 King Street East, Toronto

Subscription Lists will close on or before June 15th, 1919

New Issue

MONTREAL, *May 29th, 1919*

$2,000,000

Mattagami Pulp & Paper Company Limited

7% Convertible Sinking Fund Mortgage Debenture Stock

Dated May 1st, 1919. Due May 1st, 1949

Interest ($35 every six months on each $1000 of Debentures) payable on May 1st and November 1st. Principal and Interest payable at Montreal, Toronto, New York or London, England.

DENOMINATIONS: $100 and multiples thereof

The Company may redeem Debentures as a whole within ten years at 115 and accrued interest, and at 105 and accrued interest at any time after ten years.

CAPITALIZATION

	Authorized	Outstanding
Common Shares	$5,000,000	$2,000,000
7% Cumulative Preferred Shares	2,000,000	1,500,000
6% First (Closed) Mortgage Sinking Fund Bonds	2,000,000	1,933,500
7% Convertible Mortgage Debenture Stock	3,000,000	2,000,000

MAY BE EXCHANGED FOR COMMON SHARES

Holders may exchange Debentures for an equal par value of Common Shares at any time up to May 1st, 1929. If Debentures are redeemed by the Company (at 115 and accrued interest) before May 1st, 1929, holders will have three months' notice of the Company's intention to redeem them, during which time the exchange may be made.

SECURITY FOR MORTGAGE DEBENTURES

Debentures will be secured, subject to the lien of the First Mortgage Bonds, by direct Mortgage upon all the Company's extensive Freehold and Leasehold Lands and Water-powers, upon all Plants and Properties now owned or hereafter acquired, and by a floating charge upon all the Company's other Assets.

SINKING FUND TO RETIRE DEBENTURES BY MATURITY

The Trust Deed provides for an annual cumulative Sinking Fund commencing May 1st, 1924, amounting to 2% of the total Debentures issued. It will retire the total issue by maturity.

A Sinking Fund is already in operation which will retire First Mortgage Bonds at maturity.

THE COMPANY

Complete prospectus (copies will be mailed on request) contains a letter from the President of the Company, from which we summarize as follows:

1. **Mattagami Pulp & Paper Company, Limited,** operates a modern and up-to-date plant at Smooth Rock Falls, Ontario, for the manufacture of high-grade Sulphite Pulp.
The Company's limits and plant are almost adjacent to those of the Abitibi Power and Paper Company, Limited. Their location with reference to markets is ideal, the National Transcontinental Railway furnishing direct outlets to the Atlantic and Pacific seaboards and intermediate markets.
The Company also owns its own Townsite at Smooth Rock Falls, an extensive development embracing Hotel Property, School House and Dwellings; also Water, Electric Light and Sewage Systems.
2. **Annual Capacity—45,000** tons Easy Bleaching Sulphite Pulp. Present production **30,000** tons per annum, now being increased to **45,000** tons by addition of new drying machine expected to be in operation October, 1919.
3. **Pulpwood Lands—840 square miles** of Leasehold and **125 square miles** of Freehold Lands situated adjacent and tributary to the Mattagami watershed in Northern Ontario—containing more than **4,000,000** cords of spruce pulpwood.
4. **Capacity of Water Powers—18,000** horse-power, of which **9,000** horse-power is developed.
5. **Value of Assets—$8,000,000.**
6. **Funded Debt—$3,933,500** including this $2,000,000 issue of 7% Convertible Mortgage Debentures.
7. **Net Earnings** for six months ending October 31st, 1918, certified by Clarkson, Gordon and Dilworth, available for Interest and Depreciation amounted to **$302,306.18**—against Interest Charges of $97,000.
Earnings for the next twelve months estimated at **$750,000,** as against $256,010 Interest on whole Funded Debt, including this issue.

A large portion of this issue has been sold in the United States and in Canada. We offer for sale the unsold portion of the balance at

94 and accrued interest, yielding over 7¼%

Payable as follows: 20% of the par value on application.
40% of the par value on June 20th, 1919.
34% of the par value on July 20th, 1919.

Interest will be allowed on payments at the rate of 7% per annum. Payments may be anticipated in whole or in part at any time. Accrued Interest will be adjusted upon final payment.

Application may be made on the accompanying form

ROYAL SECURITIES CORPORATION LIMITED

TORONTO: 58 King St. West MONTREAL: 164 St. James St. HALIFAX: 200 Hollis St.

APPLICATION FORM

ROYAL SECURITIES CORPORATION, LIMITED

....
Address Montreal, Toronto, or Halifax Office

Sirs: I/we hereby apply for $............par value Mattagami Pulp and Paper Company, Limited, 7% Convertible Sinking Fund Mortgage Debenture Stock, due May 1st, 1949, and agree to pay for same, or any less amount that may be allotted to me/us, in accordance with the terms of your prospectus dated May 29th, 1919.

Cheque to the order of Royal Securities Corporation, Limited, for the amount payable on application ($100 for each $500 par value applied for) should accompany this form.

Name (in full)..
(Mr., Mrs. or Miss)

Address (in full).. 21

Date..

ESTABLISHED 1849

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Thomas C. Irving
General Manager Western Canada
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97 BAY STREET, TORONTO

7%

Industrial Bond

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ESTABLISHED 1870 — MEMBERS Toronto Stock Exchange
ROYAL BANK BUILDING · · · TORONTO

Stocks Wanted

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Trust & Guarantee
Sterling Bank

J. E. CARTER
Investment Broker, Guelph, Ont

Canadian Billings & Spencer Limited. Welland

The Mercantile Agency
R. G. DUN & CO.

Consult us before extending credit or if customers are delinquent.

Canadian Offices:

Halifax, St. John, Quebec, Montreal, Ottawa, Toronto, Hamilton, London, Winnipeg, Regina, Moose Jaw, Saskatoon, Calgary, Edmonton, Lethbridge, Vancouver, Victoria.

Address enquiries to

R. G. DUN & CO.
Dominion Bank Bldg. - Toronto, Can

THE FINANCIAL POST IN MONTREAL

Offices of THE FINANCIAL POST in Montreal are in The Southam Building, 128 Bleury St. THE FINANCIAL POST is on sale at the following news-stands and book-stores in Montreal: Murphy's News-stand, St. James St. (next G.P.O.); the Ritz-Carlton Hotel, the Windsor Hotel, the Queen's Hotel, Chapman's Bookstore, 190 Peel St.; Foster, Brown & Co., 472 St. Catherine St. West.

HOWARD SMITH PAPER.

After remaining for many months almost immoveable at the minimum of 65 the common stock of Howard Smith mills started off this week and ran up five points quietly, the bids rising each day. There is some talk of action being taken on the dividend in a short time, as the affairs of the company are in a much improved state with the new mill getting good steady business, and the old mill being overworked so much that an addition has been found necessary. The dividend paid until about one year ago was 8 per cent. on the common, and a portion of what some regard as "arrears" may be paid off in the course of the next couple of months.

DOMINION TEXTILE EARNED HIGH RATE ON COMMON STOCK

Remarkable Year With Sales of $23,000,000, Profits $3,434,752

TRIPLED IN FOUR YEARS

Record Gain in Sales—Working Capital Doubled to $5,832,374 — Wages Increased 10 Per Cent.

The tremendous volume of business that was done by the Dominion Textile Company during the past six months of the war, and the early part of the armistice period, bringing the total sales for the year to over $23,000,000, an increase of 40 per cent. over last year, brought forth a new high record of profits that will be a subject for much satisfaction to the shareholders, for the gross earnings amounted to $3,434,752, as compared with $1,873,371 one year before, leaving a balance of $2,659,888 after the bond interest and preferred had been paid, comparing with $1,098,116 for the year 1917-18. Now it may be a matter of dispute as to what the percentage earned on the common stock of $5,000,000 should be placed at, but, if it is figured at this point, it would amount to over 50 per cent., exactly 53.2 per cent., as compared with 21.9 per cent. one year ago, and 15.6 per cent. as shown two years ago.

Taking the last year alone into consideration, this would not be an unfair basis of comparison, for then there was an amount of only $3,088 deducted from the total of $1,098,116, while there is a sum set aside this year of $1,100,000. It is explained that this includes a generous allotment for a pension fund, and sums for war and income tax, and replacements. The corresponding amount deducted at this point two years ago, was $27,275, so it may be concluded that this deduction of $1,100,000 hardly applies except for a small amount before estimating the percentage earned on the common, which may be set down fairly conservatively at close to 50 per cent. Even after the pension fund, etc., is deducted,—most of which amounts are fairly chargeable against the surplus before bringing forward to a new year, there would remain a balance of $1,159,888, or a percentage on the common of 31.2. Either the former or the latter would do quite well under the circumstances, and with the surplus for the year of over $1,000,000 added to the previous surplus, there remains to carry forward into the new year a total surplus of $3,349,083.

Remarkable Record Sales and Profits

Whether measured in respect to gross sales, manufacturing profits, or net profits, the year ending on March 31 last, was a remarkable one for the company. It would be idle to speculate at this point, as to whether a similar record would be a possibility for another year now that peace has come. It is certain that the war brought a very large extension to the selling field of the Dominion Textile Company in Canada, with both European and United States competition to a great extent shut off, and that the company had the facilities and the foresight to adapt itself to this possibility of expansion. For a time it was thought that with the signing of peace, outside competition would open up and sales would be cut down, and the percentage of profits on sales would follow this decline. The last few weeks, however, have indicated that there is a large export business available for this as for other textile mills in the country, and that they will be able to operate to capacity, with good profits probably for the balance of the year. It is hardly likely that with the general demand for lower prices, and keener competition in certain quarters that the profit per $1,000 will be as large as it was the past year, so that the total is hardly likely to equal last year's, and not in the future until the sales have very greatly increased. In any case the company has a proud future ahead of it.

Sales Trebled in Three Years

Taking the total sales for the year, it is stated that they were $23,666,216, compared with $16,850,278, one year before, and $13,375,750, two years ago. This gives an increase for the present year of over 40 per cent. over one year ago, and of 77 per cent. for the past two years. If the comparison is carried out further it is even more striking: three years ago the sales were $10,438,000, giving an increase this year of 127 per cent., while going back to 1914-15, when they were $7,643,674, it is seen that they reached an advance of over 200 per cent., or tripled in a period of four years. A large portion of this, of course, is due to the merchandise being away up in price, but not nearly all, and so far as profits are concerned they are worked out on totals in value, not in quantities of goods.

So far as manufacturing profits are concerned, these were 83 per cent. ahead of the year before, and more than double the total, $1,657,083, of the year 1917-18.

The following is a comparison with the profit and loss tables of the previous two years:

	1918-19	1917-18	1916-17
Mfg. profits...	$3,434,752	$1,873,371	$1,657,083
Add rentals ...	198,000	198,000	469,165
Balance	$3,236,752	$1,675,371	$1,187,918
Bond int.	441,022	441,412	274,678
Balance	$2,7957,30	$1,233,958	$ 913,239
Pref. divid. ...	135,842	135,842	135,331
Balance	$2,659,888	$1,098,116	$ 777,908
Com. divid. ...	400,000	350,000	300,000
Balance	$2,259,888	$ 748,116	$ 477,908
Writ. off, etc...	1,100,000	3,088	27,275
Balance	$1,159,888	$ 745,028	$ 450,632
War tax	....	....	100,000
Surplus	$1,159,888	$ 745,028	$ 350,632
Prev. surp.	2,189,194	1,444,166	1,093,534
Total surp. ...	$3,349,083	$2,189,194	$1,444,166

Bank Debt Down $2,500,000

The balance sheet reveals other points for satisfaction. The liquid position of the company, as would be inferred, is greatly strengthened. One of the most outstanding changes is in connection with the reduction of the banking indebtedness, from $2,842,091 one year ago, to $332,057, a decline of over $2,500,000. Among the liquid assets the supplies of raw cotton have been reduced from $2,674,010 to $1,807,754. Cash and bills receivable are up from $17,178 to $710,825, and accounts receivable is increased by over $500,000, a result to be anticipated with the large gain in sales. The net result is that the liquid assets are up some $334,000, while the current liabilities have been cut down very substantially, from $3,722,320 to $1,119,576. The net working capital for one year ago was $2,894,867. The company at the end of the past fiscal year shows working capital, in contrast, of $5,832,374, a gain of $2,937,507, or more than the total was one year ago.

The items in this table for the two years are as follows:

Working Capital

Liquid Assets—		
Raw cotton	$1,807,754	$2,674,010
Manu. cotton	643,744	645,980
Cash and bills rec..	710,825	17,178
Acc. rec.	3,409,469	2,874,840
Supplies	380,158	405,179
	$6,951,950	$6,617,187
Current Liabilities—		
Loans	$ 332,057	$3,722,320
Deficits	42,421	29,165
Acc. pay.	494,813	611,167
Accr. wages	138,500	128,000
Accr. int.	77,825	77,937
Pref. divid.	33,960	33,960
	$1,119,576	$3,722,320
Bal. work. cap........	$5,832,374	$2,894,867
Gain for 1919	$2,937,507	

The total assets of the company now stand at $20,301,165, and the reserve and renewal accounts stands at $1,509,904.

Increase of Wages

On the day following the announcement of the annual report, the statement was made that the company had posted notices in all the mills announcing an all-round increase in wages of ten per cent., and that the new schedule would be put into effect at once. The action taken was a voluntary one, and at the same time generous provision has been made for the pension fund. The amount that the new wage scale will entail is an increase of $400,000 a year, which by a coincidence just equals the total dividends paid out by the company on the common stock at the current rate of eight per cent.

At the annual meeting of the company, the president, Sir Charles Gordon, stated to the shareholders that the past year had been an abnormal one so far as earnings were concerned. He did not believe that next year could show anything like such a figure. The greater portion of the profits had come from special business entirely apart from the regular business of the company. An offer had been received for work for the United States Government at a price in which there was no "dickering," and the company could not be accused of "profiteering" in accepting business that was offered at a price they themselves had not fixed. Then the company had been fortunate in entering the year with large supplies of raw cotton on hand, which had increased in value during the year.

LAURENTIDE.

The announcement from Ottawa that the Paper Controller, R. A. Pringle, K.C., would recommend to the Paper Tribunal that the rate for newsprint be left at $69 as he fixed it some months ago, in the face of the appeal of the publishers for a lower rate, had an immediate effect on the price of the stock of the Laurentide Company. After reaching a high of 224½ it had eased off to under 119 this week. On Wednesday it moved rapidly up from 118¾ to 220 and ended at 223¾, standing strong all day. The decision of Mr. Pringle is regarded as very favorable to the paper companies at least as indicating that there will be no cut in the price, for the judges are expected to endorse his views. Reports as to the formation of a holding company for Laurentide and Laurentide Power continue to buoy up the street, and many look for much higher levels.

MARITIME 'PHONE ASKS HIGHER RATES

Matter Before Legislature, But Little Public Interest is Shown

By Special Representative

HALIFAX.—The Maritime Telegraph and Telephone Company has had an application before the Board of Public Utilities for the past two or three weeks for an order increasing the rates so that demands for higher wages may be met and greater costs provided for. This amounts to more than $200,000 a year, and unless the rates are increased no advances in wages can be made or, on the other hand, dividends must disappear. The company has three classes of capital stock, the common, which is paying 6 per cent., the old preferred 6 per cent., and the new preferred 7 per cent.

At the present time, with some increases in salaries that have been made and with heavier costs all round, it is said the company is not earning more than 5 per cent. on its capital. With the new demands for increased wages this dividend would fall practically to zero. The policy of the board is to allow public utilities like this to earn 8 per cent on the actual investment made on capital account.

The application is to allow the company to increase the rates so that at least 6 and 7 per cent. dividends may be continued, which would approximate 8 per cent. on the investment as according to a valuation made by the Board of Public Utilities.

Little Public Interest

It is a remarkable fact that the public of Halifax displayed no interest whatever in this application, at some of the sittings no one outside the representatives of the company and the lawyers being present. At one of the meetings one citizen appeared and remained for a part of the time. The strange part of it is that the rates stand to be increased more than 25 per cent., and possibly in some cases 50 per cent. It must be that the public consider the advance is justifiable and that its enactment is to be taken as a matter of course. They would be right in this when it is remembered that everything else has increased in cost. Why should there not also be higher telephone rates?

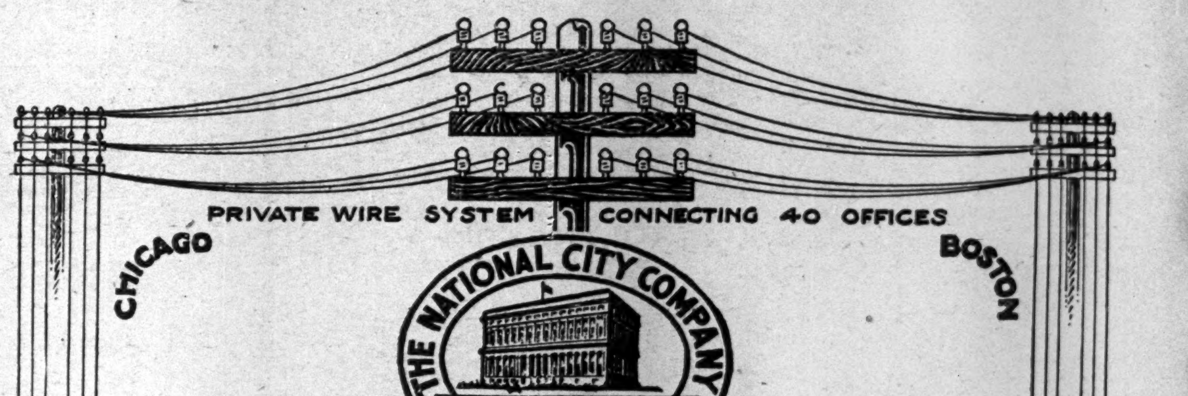
MAPLE LEAF MILLING

No Difficulty As Yet In Getting Shipments From The West

The Maple Leaf Milling Co. reports that business is progressing in a very satisfactory manner with all the mills grinding at full capacity. Up to the present they have experienced no difficulty in securing wheat stocks from Fort William, and barring the possibility of a railway tie-up they do not anticipate any difficulty, and should end their year in a very satisfactory position.

Stock sales during the week, while they did not equal the heavy trading of the previous week and fell considerably below the new record figuse of 169, did not give any particular indication of weakness, and it is evident that the street still considers them a good buy at present prices. The range for the week was 164½ to 167½, with 1,420 shares changing hands.

During April, the Imperial Life Assurance Co. wrote $2,204,554 new business. For the first four months of the year, the company has issued $9,223,077 of new business and made a net gain in business in force of $7,792,274. The total amount in force at the end of April was $80,533,856.



We offer an additional block—

$1,000,000

United Kingdom of Great Britain and Ireland

Twenty Year 5½% Gold Bonds
Due February 1st, 1937. Interest payable February 1st and August 1st
Principal and Interest payable in New York or London.
Denominations $100, $500, $1000
Price for Canadian Payment and Delivery
To Yield about 5¼%

THE
NATIONAL CITY COMPANY
Limited

Canadian Headquarters: 74 Notre Dame Street West, MONTREAL
Toronto Office: 10 King Street East, TORONTO
Maritime Representative: 169 Hollis Street, HALIFAX, N. S.
30

A SPLENDIDLY EQUIPPED MODERN

FACTORY PROPERTY

FOR SALE

Under the Authority of the Imperial Munitions Board
We offer for Sale the Property of the

BRITISH MUNITIONS CO.
MONTREAL

Land—Approximately 1,110,000 square feet. An extensive railway siding on the property connects with the main line of the Grand Trunk Railway a few hundred yards away.

Buildings—The buildings erected in 1916 and 1917, include separate administration building and one-story brick and steel factory building with saw-tooth roof, having a floor area of 280,000 square feet.

Full particulars and illustrated prospectus will be furnished to those interested. Inspection of property may be arranged with the undersigned.

The Crown Trust Company
A TRUST COMPANY FOR THE PUBLIC'S SERVICE
145 St. James Street - - - - - - - - Montreal

DIVIDENDS

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent. upon the paid-up Capital Stock of this Institution has been declared for the current quarter, payable on and after MONDAY, the SECOND DAY OF JUNE next, to shareholders of record of 30th April, 1919.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR
General Manager.

Montreal, 25th April, 1919.

The Canada Landed and National Investment Co., Ltd.

DIVIDEND NO. 129.

NOTICE is hereby given that a DIVIDEND of TWO AND ONE-QUARTER PER CENT. (being at the rate of nine per cent. per annum) on the amount paid up on the Capital Stock of this Company, has been declared for the quarter-year to the thirtieth day of June, 1919, and that the same will be payable at the Office of the Company, 23 Toronto Street, Toronto, on and after the **second day of July, 1919**, to Shareholders of record at the close of business on the fourteenth day of June, 1919.

By Order of the Board.

EDWARD SAUNDERS,
Managing Director.

Toronto, 21st May, 1919.

The Sherwin-Williams Co. of Canada Limited.

NOTICE is hereby given that the Thirty-second quarterly dividend of One and Three-quarters per cent (1¾%) being at the rate of Seven per cent. (7%) per annum, for the quarter ending June 15th, 1919, upon the Preferred Stock of the Company, has been declared, payable to Shareholders of record the Fifteenth day of June, 1919, and that cheque will be mailed on June 30th, 1919.

Books not closed.

By Order of the Board.

J. H. GORDON,
Secretary-Treasurer.

Montreal, May 26th, 1919.

The Porto Rico Railways COMPANY, LIMITED

NOTICE IS HEREBY GIVEN that a quarterly dividend of one and three-quarters per cent. (1¾%) has been declared on the Preferred Stock of this Company, payable on the 2nd day of July, 1919, to shareholders of record at the close of business on the 20th day of June, 1919.

By Order.

T. A. SPOOR,
Secretary.

TOOKE BROS., LIMITED

PREFERRED STOCK DIVIDEND
No. 28

NOTICE is hereby given that a dividend of 1¾% on the Preferred Stock of this Company, has been declared for the quarter ending 31st of May, 1919, payable on the 14th of June to Shareholders of record on the 31st of May.

By Order of the Board.

W. S. BARKER,
Secretary-Treasurer.

Montreal, May 21st, 1919.

The Wabasso Cotton Company, Limited

DIVIDEND NO. 6.

NOTICE is hereby given that a quarterly Dividend of 1½ per cent. has been declared on the Capital Stock, of the Company fo rthe quarter ending June 30th, 1919, payable July 2nd, 1919, to shareholders of record at the close of business on June 13th, 1919.

By Order of the Board.

S. B. CAYFORD,
Secretary.

Montreal, 8th May, 1919.

Dominion Iron & Steel Co., Limited

NOTICE OF PREFERRED STOCK DIVIDEND NO. 38.

A QUARTERLY Dividend of One and Three-quarters per cent. on the Preferred Stock of the Dominion Iron & Steel Company, Limited, has been declared, payable 1st July, 1919, to Shareholders of record on 14th June, 1919.

By Order of the Board.

C. S. CAMERON,
Secretary.

Montreal, May 13th, 1919.

Western Canada Flour Mills Company, Limited

DIVIDEND NOTICE

THE Board of Directors of Western Canada Flour Mills Company, Limited, have declared a Dividend of two (2) per cent., for the three months ending 31st May, 1919, payable 16th June, 1919.

The [illegible] Books [illegible] the Company will be closed [illegible] to 16th June, 1919 (both days inclus[illegible]

[illegible] S. STRATFORD,
Secretary-Treasurer.

Dated a[illegible] this 26th day of May, 1919

Dominion Textile Co., LIMITED

Notice of Dividend

A DIVIDEND of two per cent. (2%) on the Common Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 30th June, 1919, payable July 2nd to shareholders of record June 14th, 1919.

By Order of the Board.

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 14th May, 1919.

The Imperial Oil Co., Limited

NOTICE is hereby given that a dividend of $3 (three dollars) per share has been declared by the Directors of the Imperial Oil Company, Limited, and that the same be payable in respect of shares specified in any share warrant of the Company within three days after the coupon serial number twelve of such share warrant has been presented and delivered at The Royal Bank of Canada, Toronto, Ontario, or at the office of The Imperial Oil Company, Limited, Toronto, Ontario, such presentation and delivery to be made on or after the second day of June, 1919.

Payment to shareholders of record and fully paid up at the close of business on the 28th day of May, 1919 (and whose shares are represented by share certificates) will be made on or after the 2nd day of June, 1919.

The books of the Company for the transfer of shares will be closed from the close of business on the 28th day of May to the close of business on the 2nd day of June, 1919.

W. T. McKEE,
Secretary.

The Bank of Nova Scotia

DIVIDEND NO. 198

NOTICE is hereby given that a Dividend of 4% for the quarter ending June 30th has been declared on $6,500,000 of the Capital Stock of the Bank, and a Dividend of 2 2-3% for the two months ending June 30th has been declared on $3,200,000 of the Capital Stock of the Bank issued May 1st, and that the same will be payable on and after Wednesday, the 2nd day of July next at any of the offices of the Bank.

The Stock Transfer Books will be closed from the 16th to the 30th proximo, inclusive.

By Order of the Board.

H. A. RICHARDSON,
General Manager.

Halifax, N.S., May 20th, 1919.

Woods Manufacturing Co. Limited

DIVIDEND NOTICE.

THE regular Quarterly Dividend of One and three-quarters per cent (1¾%) on the COMMON STOCK of WOODS MANUFACTURING CO., LIMITED, for the quarter ending May 31st, has been declared payable June 2nd, 1919, to shareholders of record May 26th, 1919.

By Order of the Board.

JOHN T. F. KEENE,
Secretary-Treasurer.

The Royal Bank of Canada

DIVIDEND NO. 127.

NOTICE is hereby given that a Dividend of Three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Monday, the second day of June next, to shareholders of record of 15th May.

By Order of the Board.

C. E. NEILL,
General Manager.

Montreal, Que., April 15th, 1919.

MANAGER WANTED

For the newly organized Chamber of Commerce, Chatham, Ontario.

Apply, stating age, qualifications and experience to

Harry Collins, secretary
Chatham, Ontario

Industrial Companies

We will be glad to hear from any Industrial Company having a Bond Issue in prospect.

United Financial Corporation
Limited

112 St. James Street
MONTREAL

Branches: Toronto, Winnipeg, London, Eng.

MERCHANTS BANK SHOWED PROFIT OF MORE THAN 19%

Compared With 17.66 Last Year and 16 Per Cent. in 1917

$25,787,860 UP

Big Gain in Assets—Deposits Rose Nearly $25,000,000—New Director Chosen

The annual report of the Merchants Bank of Canada for the twelve months ending April 30 last indicates a gradual return of the banks to somewhat of a more normal condition; the end has come of the sharp transitions in its liquid assets due to the pressing calls of the Government. The building up of this institution goes on apace: during the year the savings deposits increased from $75,946,985 to $91,904,993, a gain of nearly $16,000,000, while demand deposits increased $8,665,000 to $43,552,214, a total gain in deposits of nearly $25,000,000. Taking the increase made one year ago of $18,600,000, the increase in deposits in the past two years has exceeded $43,000,000.

The assets of the bank have grown from $140,937,544 to $166,725,404, an increase of $25,787,860; or for the two year period, $45,593,000. Here, as in deposits, the total gains were greater in the past year than in the preceding.

The measure to which the bank has ministered to the commercial requirements of the country in the form of current loans is seen in the total at the end of the 1919 year of $96,207,344, an increase over 1918 of $29,673,341, or a gain for the two years of over 43,000,000. Thus in two years current loans have grown by over 50 per cent.

In one item, bank balances abroad, the time of peace has made a change. Where national requirements induced the bank in 1917-18 to reduce these from $2,474,326 to $1,440,423, this year the amount has grown again to $2,026,536. The bank at the same time added to its holdings of Government securities by $570,109, bringing the total to $6,005,574. Call loans show a decline from $3,906,648 to $2,801,858, a natural result where private money has become so plentiful.

From the point of view of the shareholder the profits show up in a very satisfactory manner. The net amount was $1,383,569, compared with $1,236,681 in 1918, or an increase of $146,888 over 1918, and $263,260 over 1917. The profits for the year work out at a percentage of 19.76 on the outstanding capital of the bank ($7,000,000, as it was at the close of the fiscal year) compared with 17.66 per cent. one year ago, and 16 per cent. two years before.

The following table shows the profit and loss figures for the past three years:

Profit and Loss Account

	1919	1918	1917
Profits	$1,383,569	$1,236,681	$1,120,309
Prev. bal.	437,974	421,292	250,984
Total	$1,821,543	$1,657,973	$1,371,293
Deduct:—			
Div. and bonus	$ 805,000	$ 700,000	$ 700,000
War tax	70,000	70,000	70,000
Conting. fund	.....	400,000	.....
Pension fund	50,000	50,000	50,000
Premises	300,000	......	100,000
Patriotic	22,500	......	30,000
Total ded.	$1,247,500	$1,220,000	$ 950,000
Balance	574,043	437,973	421,293

THE FINANCIAL POST'S analysis shows that the "immediately available" liquid assets amounted to 25.4 per cent. of the liabilities to the public, compared with a percentage of 27 one year ago. The relation to the total assets was 23.2 per cent. compared with 24.3 per cent. one year ago. The figures follow in detail:

Immediately Available Liquid Assets

	1919	1918	Change
Specie	$ 4,946,946	$ 4,890,061+	$ 56,885
Dom. notes	8,405,602	5,912,092+	2,493,510
Notes cir. dep.	366,000	355,000+	11,000
Not. bank	985,044	893,076+	91,968
Call loans	2,801,858	3,906,648—	1,104,790
Bank bal.	3,216	4,704—	1,488
Do., abr.	2,026,536	1,440,423+	586,113
Gov. sec.	6,005,574	5,435,464+	586,114
Gold res.	7,000,000	6,000,000+	1,000,000
Cheques	6,082,617	5,311,786+	770,831
Total	$38,623,398	$34,149,254+	$ 4,474,139
% liab. to public	25.4	27.0—	1.6
% to assets	23.2	24.3—	.9
Other Assets			
Pub. sec.	$15,238,399	$14,589,065+	$ 649,334
Other sec.	4,119,705	4,060,204+	59,501
Call loans	5,134,691	5,223,953—	89,262
Cur. loans	96,207,344	76,534,003+	29,673,341
Over dbs.	386,974	272,226+	114,768
Lets. cred.	464,153	598,851—	134,698
Real estate	782,327	213,928+	469,399
Prem.	5,253,269	4,886,438+	366,831
Other assets	515,149	310,615+	204,534
	$128,102,011	$106,783,290+	$21,318,721
Grd. tot.	$166,725,404	$140,937,544+	$25,787,806
Liabilities to Public			
Circ.	$ 13,316,033	$ 12,327,168+	$ 988,865
Dem. dep.	43,552,214	34,886,748+	8,665,466
Savings	91,904,993	75,946,985+	15,958,008
Due bks.	2,614,696	1,400,942+	1,214,754
Due else.	105,077	1,161,976—	1,056,899
Accept.	464,153	598,852—	134,699
	$151,957,167	$126,322,671+	$ 25,634,496
Liabilities to Shareholders			
Capital	$ 7,000,000	$ 7,000,000	$........
Reserve	7,000,000	7,000,000	....
Divs.	194,194	176,900+	17,294
Bal.	574,043	437,974+	136,069
	$14,768,237	$14,614,874+	$ 153,363
Grd. tot.	$166,725,404	$140,937,544+	$25,787,860

The annual meeting of the bank will be held on Wednesday next, June 4. A new director will meet the shareholders, Lorne C. Webster, who succeeds the late Andrew Allan.

BANQUE NATIONALE HAD A GOOD YEAR

An Increase of Nearly $100,000 in Profits—Liquid Position Much Stronger

An increase of almost $100,000 in profits, from $435,283 to $533,450, is an indication from the annual report of the Banque Nationale of the successful year of that institution for the period ending April 30th. Comparative figures for the past two years and the manner of distribution are shown in the following summary:

	1919	1918
Profits	$533,450	$435,283
Bal. forward	35,249	59,966
	$568,699	$495,249
Dividends	$180,000	$180,000
Reserve	100,000	100,000
Dep. on secs.	100,000	100,000
Int. on discounts	45,000	......
Premises	40,000	35,000
Fixtures	10,000	10,000
Pension	25,000	15,000
War Tax	20,000	20,000
Balance	48,699	35,249
	$568,699	$495,249

Analysis of the balance sheet indicates that the bank very much improved its liquid position during the year, there being increases of $1,900,000 in holdings of Government securities, $1,000,000 in holdings of Dominion notes and $1,600,000 in gold reserve. According the FINANCIAL POST'S arrangement these three items were the principal factors in an increase from $10,700,000 to $16,400,000 in immediately available liquid assets.

Total assets were increased by $9,200,000 to a total of $50,400,000, the chief factor being an increase of about $6,200,000 in savings deposits in addition to an increase in demand deposits of $3,400,000.

Current loans were increased by about $1,700,000 to a total of $25,000,000 or half of the total assets. Call loans were also increased substantially being higher by $1,000,000 or nearly fifty per cent.

It will be noted that there was a considerable reduction in liabilities to the Dominion Government from $5,400,000 to $3,600,000.

Following are comparative figures from the balance sheet:

Immediately Available Liquid Assets

	1919	1918	Change
Specie	$ 352,097	$ 286,091+	$ 66,006
Dom. notes	3,256,576	2,232,990+	1,023,586
Note cir. dep.	100,000	100,000	....
Notes, bk.	534,240	398,120+	136,120
Bank bal.	597	815—	218
Do., abrd.	862,992	381,561+	481,431
Gov. sec.	6,371,777	4,461,000+	1,910,777
Cheques	1,639,535	1,203,692+	435,843
Gold res.	3,300,000	1,700,000+	1,600,000
	$16,417,814	$10,764,269+	$5,653,545
% total assets		29.4	
% total liab. to public		26.4	
Other Assets.			
Public sec.	$ 1,434,925	$ 1,503,746—	$ 68,821
Other sec.	2,079,352	1,082,686+	996,666
Call loans	3,249,738	2,235,169+	1,014,569
Current	25,065,604	23,372,288+	1,693,316
Elsewhere	....	250,000—	250,000
Over. debts.	25,379	25,085+	294
Lets. of cred.	2,000	43,430—	41,430
Real estate	472,728	399,661+	73,067
Mortgages	212,036	206,889+	5,147
Premises	1,292,239	1,170,552+	121,687
Other assets	181,716	141,403+	40,313
	$34,015,717	$30,430,909+	$3,584,808
Total assets	$50,433,531	$41,195,179+	$9,238,352
Liabilities to Public			
Circulation	$ 4,962,885	$ 4,260,980+	$ 701,875
Dem. dep.	8,456,153	5,051,952+	3,404,201
Savings	27,146,037	20,949,282+	6,196,755
Foreign	1,852,913	1,211,921+	640,992
Due Can. Gov.	3,697,351	5,444,435—	1,737,084
Acceptances	2,000	43,430—	41,430
Other liab.	16,992	34,426—	17,434
Due banks	4,707	17,221—	12,514
	$46,139,008	$37,013,647+	$9,125,361
To Shareholders			
Capital	$ 2,000,000	$ 2,000,000	$........
Reserve	2,200,000	2,100,000+	100,000
Dividends	45,824	46,282—	458
Balance	48,699	35,249+	13,450
	$ 4,294,523	$ 4,181,531+	112,992
Total liab.	$50,433,531	$41,195,179+	$9,238,352

TENDERS WANTED

Tenders for Debentures

SEALED tenders marked "Tenders for Debentures" will be received by the undersigned for the following City of Guelph debentures up to 5 o'clock p.m., June 13th, 1919:—

$68,000 Public School, 30-year instalment, 5½%, payable annually; and

$50,000, 15-year, Sinking Fund, at 5½%, payable half-yearly.

Tenderers to state price for each group separately.

The highest or any tender not necessarily accepted.

T. J. MOORE,
City Clerk.

Guelph, Ont.

PICCADILLY LONDON Smoking Mixture

The art of blending Tobacco has reached the zenith of perfection in Piccadilly Smoking Mixture. 30¢ PER PACKAGE

THE AUTOMATIC TELEPHONE

SAVES MAN HOURS

The man hours saved in your plant in a year with the P. A. X. would overcome the extra outlay for labor, to a surprising extent.

Your enquiry will bring our illustrated catalogue, showing how others are saving with the P. A. X.

P. A. X.

Albert. P. Lintz
Agent for Ontario and Quebec

26 Queen St. East, Toronto Main 3014

THE STERLING TRUSTS CORPORATION

5½%

Guaranteed Trust Certificates

Your investment with this Corporation is placed by us on a first mortgage which is earmarked and set aside as a specific security for your Trust Certificate but in addition, the payment to you of interest and principal is absolutely guaranteed on due date.

Authorized by Law for Trust Funds.

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Conduct a General Investment Business

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LUMSDEN BUILDING
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ANNUAL REPORT OF

P. Lyall & Sons Construction Company, Limited

DIRECTORS

WILLIAM LYALL,
President and Managing Director.

TRAILL OMAN LYALL
Vice-President.

J. B. CAINE
Treasurer.

J. N. GREENSHIELDS, K.C. — JOHN McKERGOW
H. W. BEAUCLERK — HUGH MACKAY, K.C.

PROFIT AND LOSS ACCOUNT.
As at March 31st, 1919.

EARNINGS:—				
After deducting Rent, Insurance, Taxes, General Expenses, etc..				$1,314,582.13
APPROPRIATED AS FOLLOWS:—				
Bond Interest to end of Fiscal Year		$ 60,308.00		
Preferred Dividends to end of Fiscal Year		91,000.00		
Common Dividends—				
No. 3	$35,000.00			
No. 4	35,000.00			
No. 5	35,000.00			
No. 6	35,000.00			
		140,000.00		
Appropriation for Sinking Fund Bond Redemption		50,200.00		
Restoration Reserve Account		250,000.00		
Special Reserve Account		90,000.00		
Amortization of Munitions Plant and Equipment		198,838.13		
				880,346.13
Reserve for Business Profits Tax—Year 1919				320,000.00
				114,236.00
Amount at credit of Profit and Loss—year ending March 31st, 1918		365,852.99		
Less Business Profits Tax, 19174	$13,087.78			
Less Reserve for Business Profits Tax, 1918	65,000.00			
		78,087.78		
				287,765.21
Surplus				$ 402,001.21

Audited and Verified:—
WRIGHT & KINGAN,
Per Gordon B. Kingan, C.A., Auditors.

FINANCIAL STATEMENT
As at March 31st, 1919

ASSETS

Plant:—Montreal, Ottawa and Toronto	$ 231,595.94	
Buildings—Montreal	148,252.74	
Real Estate—Montreal and Winnipeg	732,838.12	
		$1,112,686.80
Patents, Rights, Goodwill, etc.		1,783,509.89
Securities		1,089,819.59
Cash on Hand, Bank, Head Office and Branches		174,781.85
Stock on Hand		37,691.13
Open Accounts Receivable		2,533,415.66
		$6,731,904.92

LIABILITIES

CAPITAL STOCK:—				
7% Cumulative Preferred authorized 15,000 Shares of $100.00 each			$1,500,000.00	
Issued				$1,300,000.00
COMMON:—				
Authorized 17,500 Shares of $100.00 each			1,750,000.00	
Issued				1,750,000.00
SIX PER CENT. FIRST MORTGAGE:—				
Twenty Year Gold Bonds, Authorized and Issued			1,250,000.00	
Less Bonds retired			261,600.00	
				988,400.00
Open Accounts Payable			386,798.22	
Accrued Wages to end of Fiscal Year			7,945.90	
Sub-Contractors' Balances and Drawbacks			492,876.88	
				887,621.00
Bills Payable				342,587.10
Accrued Interest on Bonds to end of Fiscal Year				9,884.00
Accrued Dividends Preferred Stock to end of Fiscal Year				15,166.66
Contingent Suspense Account				139,644.95
Appropriation for Sinking Fund Bond Redemption				261,600.00
Reserve for Restoration Construction Plant				250,000.00
Reserve for Business Profits Tax				385,000.00
ADD:—				
Earnings as per Profit and Loss Statement			1,314,582.13	
LESS:—				
Bond Interest		$60,308.00		
Preferred Dividends		91,000.000		
Common Dividends—				
No. 3	$35,000.00			
No. 4	$35,000.00			
No. 5	$35,000.00			
No. 6	$35,000.00			
		140,000.00		
Appropriation for Sinking Fund		50,200.00		
Amortization of Munitions Plant		198,838.13		
Reserve Account—Special		90,000.00		
Reserve Account—Restoration		250,000.00		
			880,346.13	
			$ 434,236.00	
Less Reserve for Business Profits Tax—1919			320,000.00	
			$ 114,236.00	
Amount at Credit of Profit and Loss, March 31st, 1918		$365,852.99		
LESS:—				
Business Profits Tax—1917	$13,087.78			
Reserve for Business Profits Tax—1918	65,000.00			
		78,087.78		
			287,765.21	
				402,001.21
				$6,731,904.92

Audited and found in accordance with the books and vouchers of the Company. The Stocks in Trade have been inventoried and certified to by the proper Officers. We have examined the Stocks and Securities. All our requirements as Auditors have been complied with.

WRIGHT & KINGAN,
Per Gordon B. Kingan, C.A., Auditors.

DIRECTORS' REPORT TO THE SHAREHOLDERS

MONTREAL, MAY 16th, 1919.

GENTLEMEN:—

Your Directors have pleasure in submitting the Annual Statement for the year ending March 31st, 1919.

The Financial Statement, after providing for all general expenses, shows earnings of $1,314,582.13, from which the following amounts have been appropriated:—Bond Interest $60,308.00, Preferred Dividends $91,000.00, Common Dividends $140,000.00, Sinking Fund Bond Redemption $50,200.00, Reserve for Restoration of Construction Plant $250,000.00, Special Reserve Account $90,000.00, Amortization of Munition Plant and Equipment $198,-838.13, leaving a balance of $434,236.00, from which the sum of $320,000.00 has been set aside as reserve for Business Profits Tax, a balance of $114,236.00 being carried forward to "Profit and Loss" account. From the balance at credit of "Profit and Loss," year ending March 31st, 1918, i.e., $365,852.99, the following amounts have been deducted:— Business Profits Tax, 1917—$13,087.78; Business Profits Tax, 1918—$65,000.00; a total of $78,087.78. This amount deducted from the balance at credit of "Profit and Loss"—March 31st, 1918—leaves a balance of $287,765.21, which added to the amount carried forward this year ($114,236.00) makes a total surplus of $402,001.21.

Your different Plants during the past four years were converted from Stone Cutting, Marble and Millwork, to that of Munitions Manufacturing, and an amount of $250,000.00 has been reserved for the purpose of restoring these works to their former condition.

A Special Reserve Account of $90,000.00 has been established to cover various miscellaneous and unadjusted claims.

During the past year an amount of $198,838.13 was expended for new plant and equipment necessary for the fulfilment of certain new contracts received for munitions. This amount has been amortized as shown by statement.

As will be noted, the reserve established for Business Profits Tax amounts to $385,000.00. Your Company during the past three years will have contributed to this Tax $398,087.78.

All orders received for American munitions were cancelled owing to the cessation of hostilities, and under the terms of these contracts, the United States Government bears the full cost of all construction work and equipment, also any work in progress, stores and supplies on hand necessary to complete these contracts. Accounts Receivable are increased accordingly.

It may be interesting to our Shareholders to review the assistance given by your Company in the prosecution of the World's War.

In 1914 and 1915, your Company experienced a very severe setback, owing to the great decline in all kinds of construction work. It became necessary to secure employment for our Plants and Organization. After considerable difficulty in convincing the Authorities that your Company's Organization could be adapted to almost any purpose, a small order for 4.5 British Shells was secured and completed in record time, with the result that further orders for munitions were obtained.

From 1915, until the Armistice was signed in 1918, your Company shipped munitions of various kinds, the value of which amounted in all to Sixteen Million, Five Hundred and Twenty-one Thousand, Three Hundred and Fifty Dollars and Ten Cents ($16,521,350.10).

In order that the Shareholders may understand how their Organization adapted itself to this new class of work, attention is drawn to the wide range of shells manufactured, which are as follows:—

MACHINING AND ASSEMBLING

		Quantity	
BRITISH			
4.5" H.E.	"Mark V"	270,007	
" "	"Mark VII"	107,290	
" "	"Mark IX"	65,147	
6" "	"Mark XVI"	16,680	
" "	"Mark III"	597,680	
" "	"Mark XI"	408,644	
" "	"Mark XIII"	292,530	
60 Pounder		88,924	
			1,846,902
AMERICAN		QUANTITY	1,846,902
4.7" H.E.	"Mark I"	443,354	
5"	"SC II"	76,219	
155 M.M.	"Mark IV"	27,711	
			547,284
Total			2,394,186

FORGING

	Quantity	
BRITISH		
4.5"	567,114	
6"	1,386,239	
		1,953,353
AMERICAN		
155 MM.	52,160	
		52,160
Total		2,005,513

Several months before the Armistice, your Directors were convinced that the termination of the War was in sight, which would necessitate our acquiring other lines to maintain our Manufacturing Organization, that had proved itself most efficient. An Experimental Department was accordingly inaugurated, with the view of developing new Patent Devices. We are pleased to report that while the experimental stage is not yet passed, a limited amount of business is already in sight, with good prospects of this field of operations becoming permanent.

In addition to the Business Profits Tax, considerable amounts have been donated from time to time to the various Patriotic Funds, and it is pleasing to report that your employees participated in these donations most generously.

Conditions in the building industry at present are slowly improving and prospects are encouraging.

Your Directors desire to record their appreciation of our Organization's resourcefulness and efforts which contributed largely toward the success attained.

Submitted on behalf of the Directors.

WILLIAM LYALL, President.

MONEY AND BANKING

FURTHER GAINS ARE SHOWN IN BANK CLEARINGS

Only Four Cities Out of Twenty-One Report Lower Returns

TOTAL GAIN IS 32.9%

Kitchener Reports Largest Percentage Gain — Montreal Gains 55.1% and Toronto 15.5%—Ottawa 56.4%

Bank clearing returns from twenty-two cities reporting for the week ending Thursday last show a total of $241,164,601 against $181,454415 for the corresponding period in 1918 an increase of $59,710,186, or 32.9 per cent. In the East all cities with the exception of Hamilton, Quebec, and Sherbrooke report a gain, the total being $217,901,426, a gain of $55,-624,619, or 34.3 per cent. Kitchener reports the largest percentage gain with a total for the week of $882,222, a gain of 84.5 per cent. Ottawa shows an increase of 56.4 per cent., while Montreal, with a total of $114,-275,775, reports a gain of 55.1 per cent. Toronto, with clearings amounting to $74,273,077 shows a gain of 15.5 per cent.

The total for the nine cities reporting in the West is $23,263,175, an increase of $4,085,567 or 21.3 per cent. Lethbridge is the only city in the West to show a falling off. Following are comparative figures:

WEEKLY BANK CLEARINGS
(In comparison with same week last year.)

Eastern Cities

	May 29, 1919	Change	%
Montreal	$ 114,275,775 +	$ 40,608,822	55.1
Toronto	72,273,077 +	10,003,638	15.5
Ottawa	8,298,591 +	2,991,599	56.4
Hamilton	4,314,671 —	383,421	8.1
Quebec	3,786,538 —	72,460	1.8
Halifax	3,663,983 +	257,613	7.5
London	2,432,784 +	485,771	24.9
St. John	2,436,320 +	660,715	37.3
Brantford	906,839 +	129,713	16.7
Peterboro	705,524 +	118,477	20.1
Sherbrooke	640,190 —	21,171	3.1
Kitchener	882,222 +	403,933	84.5
Windsor	1,284,912 +	441,390	52.3
Total, East.	$ 217,901,426 +	$ 55,624,619	34.3

Western Cities

	May 29, 1919	Change	%
Vancouver	$ 10,550,835 +	$ 1,723,063	10.5
Edmonton	3,298,229 +	733,489	28.6
Victoria	1,906,283 +	408,339	27.4
Regina	3,064,069 +	618,453	25.3
Saskatoon	1,712,560 +	297,262	21.0
Moose Jaw	1,224,322 +	225,288	22.5
Lethbridge	610,733 —	41,136	6.3
N. Westminster	516,781 +	112,392	28.0
Medicine Hat	379,368 +	8,417	2.2
Total, West.	$ 23,263,175 +	$ 4,085,567	21.3
Grand Total	$ 241,164,601 +	$ 59,710,186	32.9
Yr. to date	$5,388,932,520 +	$516,714,588	10.6

NEW YORK FUNDS SLIGHTLY EASIER

Somewhat More Plentiful Supply Has Led to Reduction in the Rate

The trend of the market for New York funds this week has been downward. This has been occasioned by a somewhat more plentiful supply, due in part to the increasing sale of Canadian bonds in the United States. From now on there should be a somewhat better supply as more securities cross the line and are absorbed in the American market. The course of the market for funds has been as follows:

	Sterling Demand	Sterling Cables	Francs Dem.	Francs Cables
May 23	4.64	4.65	6.68	6.66
" 24	...	...	...	...
" 26	4.64	4.65	6.47½	6.45½
" 27	4.64	4.65	6.59	6.57
" 28	4.63 13-16	4.64 13-16	6.52	6.50
" 29	4.63¾	4.64¾	6.42	6.40
" 30	...	...	...	...

Sterling exchange was fairly steady until Thursday, when it reacted slightly. Francs have fluctuated considerably. Opening rates on both exchanges were as follows:

May 23—Funds opened at 2 29-32; sold at 2 29-32 to the buyer; 2⅞ to the seller; broke to 2 27-32 to the seller; closed 2⅞ to the seller.

May 24—Holiday.

May 26—Opened 2 27-32 to the buyer; sold at 2 25-32 to the seller; 2¾ to the buyer and in Montreal at 2 23-32 to the buyer.

May 27—Opened at 2 23-32 asked; sold at 2⅝ to the buyer in Montreal; 2 9-16 to the seller in Toronto; then 2⅝; 2¾ to buyer and seller, reacting to 2 23-32 offered at the close.

May 28—Opened at 2 23-32 asked; sold at 2 11-16 to the seller; 2 21-32 to seller at close.

May 29—Opened 2 11-16 offered; sold at 2 23-32.

DOMINION.

The Dominion Bank announces the opening of a branch at Brantford, Ont.

MONTREAL CITY AND DISTRICT.

The Montreal City & District Savings Bank has just acquired the property corner of LaSalle avenue and Adam street, Montreal, and will immediately open a new branch at No. 315 LaSalle avenue.

MONTREAL.

Mr. Guess of Guelph has been appointed manager of the Renfrew branch of the Bank of Montreal.

A branch of the Bank of Montreal has been opened at the North-east corner of St. Catharine and St. Dominique sts., Montreal. This branch will be known as the St. Catharines street East branch and will be in charge of E. Marchand, with the title of acting manager.

C. B. Winter, of Enderby, has been appointed manager of the Armstrong branch of the Bank of Montreal.

E. J. White, manager of the Armstrong branch, has been transferred to the branch at West Summerland.

The Bank of Montreal announces that a branch of the Bank will be opened shortly at Chicoutimi, Province of Quebec.

PROVINCIAL

The Provincial Bank of Canada has opened a South-end branch at St. John, which will be run in connection with the Charlotte street branch.

The North-end branch of the bank will be opened on or about June 5th next.

ROYAL.

A. J. McLean, for the past two years manager of the Royal Bank at Nelson, has been promoted to the supervisor's department of the Royal Bank in New York. He will be connected chiefly with the foreign department of the bank, which is reaching out extensively for business in South America and Europe. Mr. McLean is being succeeded by A. D. McLeod, of Rossland, who has been manager of the Royal Bank at the Golden City for some time.

IMPERIAL.

Announcement has been made of the appointment to the board of directors of the Imperial Bank of Frank A. Rolph, of Rolph, Clark, Stone, Limited, and R. S. Waldie, vice-president of the Victoria Harbor Lumber Company, and president of the Toronto Paper Company. These appointments are to fill vacancies caused by the deaths of Hon. W. J. Hanna and Mr. Cawthra Mulock. Both Mr. Rolph and Mr. Waldie have been active business men for some years. Mr. Rolph served Canada during the war as a member of the War Board at Washington, and has recently taken a seat on the Housing Committee of Toronto.

Blain Cherry, manager of the Preston branch of the Imperial Bank, has gone to the branch at Fort William where he will relieve the manager of the branch there for a month.

Mr. Garland has been transferred to the Cochrane branch, and Mr. Lindeljus to the branch at Montreal.

COMMERCE.

A branch of the Canadian Bank of Commerce has been opened at Ladner, B.C., temporarily in charge of G. Whitehead.

A branch has also been opened at Nipawin, Sask., temporarily in charge of L. W. Newson.

H. R. Main, formerly manager of the Lougheed branch of the Bank of Commerce, has been transferred to Wilcox, Sask.

R. H. Baird of Central Butte, Alta, has been appointed manager of the branch at Lougheed.

UNLISTED SECURITIES

Stocks—	Bid	Ask
Alta. Pac. Grain, com.	122	130
Do., pref.	89	95
Belding-Paul, com.	35	40
Do., pref.	88	95
British-American Assoc.	9	12½
Canada Machinery, com.	23½	29
Do., pref.	50	58
Can. Westinghouse	115	130
Canadian Oil, com.	44	50
Do., pref.	95	102
Can. Mortgage	70	74½
Dunlop Tire, pref.	94	100
Dom. Manufacturers, pref.	45	55
Do., com.	9	15
Dom. Power & Trans., com.	47	55
Eastern Car, pref.	50	..
Great West Life	220	230
Home Bank	76	83
Lambton Golf	460	500
Illinois Traction, pref.	74	78
Inter. Milling, pref.	88	91
King Edward Hotel, com.	40	55
Loew's, Toronto, com.	124	128
Wm. Neilson, com.	54	65
Sterling Coal, com.	15	17
Sterling Bank	110	..
Standard Reliance	41	43½
Trust & Guarantee	85	92
Western Assurance	10	15
Whalen Pulp, com.	20	30
Bonds—		
P. Burns (1924), 6s	100	105
Do., (1931), 5s	96	99
Eastern Car, 5s	91	95
Mex. Northern Pow., 5s	12	16
Morrow Screw, 6s	88	92
N.S. Steel Debs., 6s	87	93
Ontario Pulp, 6s	92	94
Sterling Coal, 6s	72½	76
Stone, Limited, 6s	94	98
Toronto Power, 5s	90	93
Tor. & York Radial, 5s	97	99
Toronto Paper, 6s	86	92
Wes. Canada Power, 5s	57	61

Atlas Assurance Company, Limited

OF LONDON, ENGLAND
(ESTABLISHED 1808)

Extracts from the Report for the Year ended 31st December, 1918

FIRE DEPARTMENT

The NET PREMIUMS were $8,203,030, and the LOSSES $3,383,875. The underwriting profit of the account of increasing the reserve for unexpired risks by $495,815, amounts to $1,482,655, which has been transferred to Profit and Loss Account.

FIRE INSURANCE ACCOUNT

Amount of Fire Insurance Fund at the beginning of the year:—		
Reserve for unexpired risks, being 40 per cent. of premium income for year 1917	$2,785,895	
Additional reserve	4,694,280	
		$ 7,479,675
Premiums		8,203,030
Interest, dividends and rents	$ 332,605	
Less income tax thereon	20,010	
		312,595
Transfer from Profit and Loss Acct.		524,505
		$16,519,805

Claims under policies paid and outstanding	$3,335,325	
Contributions to Fire Brigades	48,545	
		$ 3,383,870
Commission		1,528,275
Expenses of management		1,113,140
State and municipal taxes (Foreign)		199,275
Transfers to Profit and Loss Account, viz:—		
Profit	$1,482,655	
Interest	312,590	
		1,795,245
Amount of the Fire Insurance Fund at the end of the year:—		
Reserve for unexpired risks being at 40 per cent. of premium income for the year 1918	$3,281,215	
Additional reserve	5,218,785	
		8,500,000
		$16,519,805

BALANCE SHEET, 31st DECEMBER, 1918

LIABILITIES.

CAPITAL SUBSCRIBED:— $11,000,000 in 220,000 Shares of $50 each, $6 paid	$ 1,320,000
"Essex and Suffolk" 4 per cent. Debenture Stock	478,020
Life Assurance and Annuity Funds	11,569,490
Investment Reserve Funds	2,255,975
Fire Insurance Fund	8,500,000
Employers' Liability, Accident and General Insurance Funds	569,570
Sinking Fund and Capital Redemption Insurance Fund	501,695
Contingency Fund	110,745
Provision for completion of Dividend for the year (1918) payable 30th April, 1919	495,000
Profit and Loss Balance	717,690
	$26,518,185
Claims admitted or intimated but not paid:—	
Life Assurance	277,805
Fire Insurance	991,720
Due to other Offices for re-insurance	2,201,125
Sundry unclaimed Dividends and Debenture Stock Interest	9,565
Outstanding commission and other accounts	539,105
Bills Payable	38,610
Loan from Company's Bankers against Security	625,000
	$31,200,395

($5 equivalent to £1 sterling.)

ASSETS.

Mortgages on property within the United Kingdom	$ 1,343,35[illegible]
Mortgages on property out of the United Kingdom	152,50[illegible]
Loans on parochial and other public rates	609,57[illegible]
Loans on Life Interest	308,00[illegible]
" Reversions	29,50[illegible]
" Personal Security	20,00[illegible]
" Company's policies within surrender values	555,10[illegible]
" Company's policies with 5 per cent. War Stock	210,90[illegible]
" Company's policies with 5 per cent. National War Bonds	1,500,75[illegible]
" Policies in other offices	7,75[illegible]
" Security of Rents	5,05[illegible]
Investments:—	
Deposit with the High Court, viz:— London County Council 3 per cent. stock	100,000
British Government Securities	6,041,995
Municipal and County Securities, United Kingdom	149,575
Indian and Colonial Government securities	2,733,84[illegible]
Indian and Colonial Provincial securities	459,43[illegible]
Indian and Colonial Municipal securities	655,55[illegible]
Foreign Government securities	2,660,12[illegible]
Foreign Provincial securities	412,01[illegible]
Foreign Municipal securities	816,18[illegible]
Railway and other debenture and debenture stocks:— Home and Foreign	4,007,9[illegible]
Railway and other preference and guaranteed stocks	1,038,68[illegible]
Railway ordinary stocks	465,18[illegible]
Stocks and shares (other than railway stocks)	527,7[illegible]
Copyhold ground rents	52,4[illegible]
House and Landed property	1,382,8[illegible]
Life interests	27,7[illegible]
Reversions	2,5[illegible]
	$26,276,[illegible]
Branch and Agents' balances	2,772,4[illegible]
Due by other Offices for reinsurances	159,4[illegible]
Outstanding premiums	316,0[illegible]
Outstanding commission and other accounts	121,0[illegible]
Outstanding interest, dividends and rents	11,0[illegible]
Interest, dividends, and rents accrued but not payable	216,6[illegible]
Bills receivable	3,1[illegible]
Cash:—	
On deposit	511,7[illegible]
In hand and on current account	812,2[illegible]
	$31,200,39[illegible]

MATTHEW C. HINSHAW, Montreal, Manager for Canada

THE·INK·FOR·ALL·PEOPLES

·SHIP ANYWHERE·ANYTIME· ANY QUANTITY BY MAIL·
ROYAL INK POWDER
·SIMPLY ADD WATER· ·NON-CORROSIVE·NON-FADING

From Your Retailer or Send for Samples— Best for Fountain Pen Use. Sample Quart, Blue Black, 50 cts. Why Pay More?

ROYAL INK COMPANY
11 COLBORNE ST. TORONTO CANADA

Are You Executor of an Estate?

DO you find the duties of executorship a burden of which you would like to be relieved?

This Company offers the highest type of executorship service. Our fees are no more than those allowed to a private executor.

It is in your interest to consult with us in the matter, regardless of the size of the estate or where situated.

31

THE TRUSTS AND GUARANTEE COMPANY LIMITED
BRANTFORD TORONTO CALGARY
JAMES J. WARREN, PRESIDENT — E. B. STOCKDALE, GENERAL MANAGER

DIVIDENDS

Company	Date	Rate	Record
Montreal Cot., com.	June 14	1%	Mry 31
Do., pref.	June 14	1¾%	May 31
Tooke Bros., pref.	June 14	1¾%	May 31
Kerr Lake Mining	June 16	25c	June 2
West. Can. Flour	June 16	2%	June 5
Belding, Paul, pref.	June 14	3½%	June 2
Mining Corp.	June 16	12½%	May 31
Sher-Williams, pref.	June 30	1¾%	June 15
Riordon Pulp, pref.	June 30	1¾%	June 20
Can. Landed & Nat.	July 2	2¼%	June 14
McKinley-Darragh	July 1	3%	June 7
Molsons Bank	July 2	3%	June 14
Dominion Bank	July 2	3%	June 20
Dom. Steel, com.	July 1	1½%	June 5
Dom. Iron & Stl., pre.	July 1	1¾%	June [illegible]
Can. Steam., pref.	July 2	1¾%	June [illegible]
Twin City, pref.	July 1	1¾%	June [illegible]
Mackay, com.	July 1	1½%	June
Do., pref.	July 1	1%	June
Bank of N.S.	July 2	4%	June
Do. (new stock)	July 2	2 2-3%	Jupne
Lon. & Can. Loan	July 2	2%	June
Can. Perm. Mtge.	July 2	2½%	June
Porto Rico Rlys., pfd.	July 2	1¾%	June
Can. Steamships, pref.	July 6	1¾%	May
Hill-Colliers, com.	July 15	1%	June
Do., pref.	July 15	1¾%	June
Maple Leaf Mill., com.	July 18	3%	July
Do., pref.	July 18	1¾%	July

NEWS AND VIEWS FOR MANAGERS

COMPARING THE INTEREST RATES CHARGED IN U.S.

Some Further Views on the Grande Prairie Complaint

QUOTES VERE BROWN

Manager of a British Columbia Branch Bank Speaks From Experience of Nineteen Years

The "Western Retailer" who complained of having had to pay interest to a bank at Grande Prairie at the rate of 12 per cent. has aroused more than the head officers of the Canadian banks. The following is contributed by a bank manager in British Columbia who speaks from experience of nineteen years. Incidentally he gives strong endorsation to the views of Vere Brown in support of the Canadian branch system as compared with the unit banks of the United States.

I read with interest a letter appearing in your issue of April 19th, 1919, from "A Western Retailer" in which he states that the banks in the vicinity of Grande Prairie, Alta, charge 12 per cent. interest on loans. I can only say that, during my nineteen years' experience working for a Canadian chartered bank, I have never seen it done. I would point out, however, for his information, that it is done by local banks in the United States, and I quote in this regard from an article by Mr. Vere Brown, superintendent of central western branches of the Canadian Bank of Commerce, entitled: "The Western Farmer and the Bank," appearing in the journal of the Canadian Banker's Association, dated April 1919, which "A Western Retailer" may find edifying:

2,743 National banks in forty-two States, covering 98 per cent. of the total area of the continental United States, exclusive of Alaska, admit under oath that they are charging 10 per cent. or more on some of their loans; and 1,022 National banks, in twenty-five States, which include 74 per cent. of the total area of the continental United States, exclusive of Alaska, also confess that they have been charging on an average anywhere from 10 per cent. to 18 per cent. or more on all of their loans.

"This relates to National Banks only. The showing of State banks, which institutions Mr. Leedy specially endorses, would undoubtedly be worse.

As to Kansas itself, either Mr. Leedy's banking experience there was exceptionally fortunate, or the view he now takes is an illustration of the truth of the adage, "distant fields look green"—for the Comptroller reported that all National banks in Kansas admitted that on some loans they were charging 12 per cent. or more!"

Mr. Vere Brown gives as his authority the report of the United States Comptroller of Currency for 1915, and his article is based on the address which he gave before the executive of the United Farmers of Alberta in January last. Mr. Vere Brown goes on to say further in his article, which may interest "A Western Retailer" the following:

"In later years the American system has come to be about as stabilized as it is likely ever to be, and yet if the record of losses to depositors in the different States even in the last period of twenty years were looked into it would be found that in many of the States the losses to depositors of failed banks had run into figures that our Western people would not be willing knowingly to face. Taking the State of North Dakota at random, because it was the State nearest at hand, I recently gathered the figures of bank failures in that State since 1893—that being as far back as the record appeared to be obtainable—and I found that there had been bank failures in connection with seven of which depositors suffered losses aggregating $301,000. odd. What would the people of Alberta say of our banking system if it had involved losses of this amount to depositors of that Province in the last twenty-five years?

"The recent convention of the United Farmers of Alberta—at which I emphasized the consideration which was due to bank depositors and quoted the foregoing figures of depositors' recent losses from local banks in the comparatively old-settled State of North Dakota—had scarcely closed when a dispatch come from Minnesota announcing that a chain of fourteen State banks there had blown up. These banks had a capital of $10,000 to $20,000 each, the aggregate capitalization being only $176,000, with deposits, however, aggregating the large sum of $1,440,000. Adventurers had succeeded in getting control of the majority of the capital stock of each of these banks (the comparatively small amount involved rendering this an easy matter) and had lent some $910,000 of the bank's deposits to a number of outside doubtful enterprises of their own. If the depositors do not suffer heavy losses they will be very lucky indeed. In this connection it is interesting to note that the individuals in control of these Minnesota banks had planned to enter Manitoba where they had obtained a charter for the North America Finance Company."

I quote Mr. Brown at length because it is evident that "A Western Retailer" leans to Mr. Leedy and his views. If the banks do charge a higher rate of interest in the vicinity of Grand Prairie, due probably to the fact that it is on the outskirts of Canada, it is only reasonable to suppose that "A western Retailer" does the same with the goods he sells. His conncluding remarks that "the people of Eastern Canada, manufacturers, bankers and the rest have got to get down to brass tacks, and meet the West fairly and squarely on all big questions" are not, I feel sure, the views of the great majority in the West.—H.D.S.

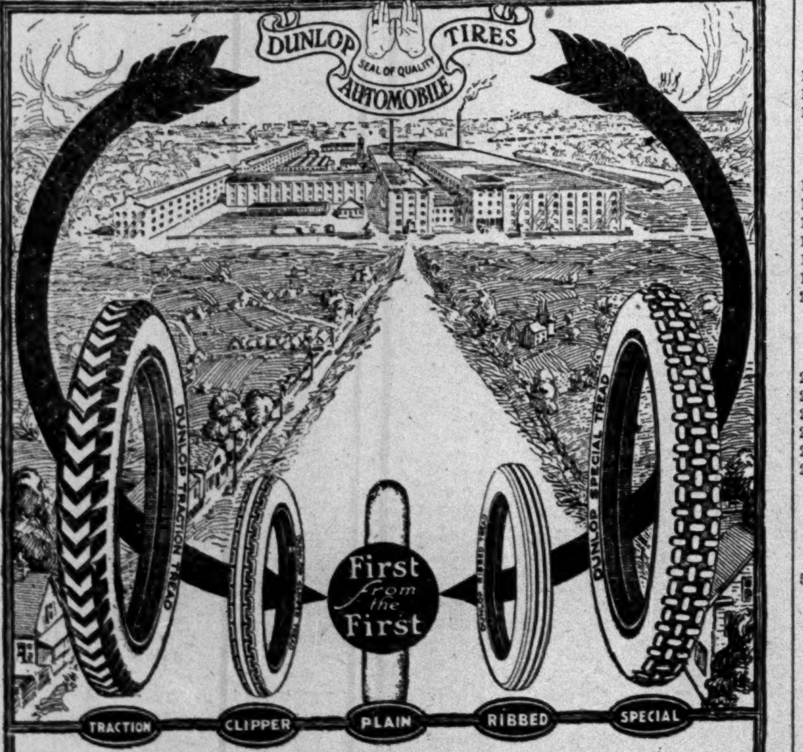
ASPDEN WITH PARK-UNION

Well Known Canadian Banker In a New Position

By Special Representative

NEW YORK.—The announcement that Mr. Fred T. Aspden, for the past two years vice-president of the American Foreign Banking Corporation, of this city, had severed his connection with that institution, and would after the first of June, join the staff of the recently formed Park Union Foreign Banking Corporation, in a similar capacity, should come as good news to those who expect Canada to further strengthen her position so far as international banking is concerned. The news will no doubt be pleasing to Mr. Aspden's many friends in all parts of Canada, who made his acquaintance during his many years in the service of the Merchants Bank of Canada and the Canadian Bank of Commerce.

Among Canadian bankers in New York, the addition of Mr. Aspden to the executive staff of the Park-Union is generally considered to further strengthen an already strong organization, and to give it further assurance of success in its chosen field.



DUNLOP TIRES

deserve well because they serve well.

Dunlop Tire & Rubber Goods Co., Limited

Head Office and Factories - - TORONTO

BRANCHES IN THE LEADING CITIES A121

INDICATIONS OF DEFLATION IN APRIL REPORT

Circulation Lower and Dominion Notes and Gold Higher

CURRENT LOANS OFF

At Same Time Deposits Increased Greatly and Yet Foreign Accounts Indicated Recall of Funds

A decrease of $9,200,000 in current loans during the month of April is perhaps the most significant development in the banking situation during that month, as indicated by the Government statement. When it is considered that for the year an expansion of $223,800,000 is shown in this account it will be appreciated that there has been a distinct change in the trend. However, this may be largely seasonal as reference to the corresponding statement of 1918 shows that there was also a small decline in April, although not nearly such a large amount.

At the same time there was an increase of $33,100,000 in savings deposits and $4,600,000 in demand deposits, a total increase of $37,700,000. Savings deposits now total $1,070,000 or $137,000,000 more than at the corresponding period a year ago, and are at the high level established since the outbreak of the war. Demand deposits at $571,000,000 show an increase of $13,000,000 for the year.

Investing the Funds

With this reduction in current loans and such a large increase in deposits it becomes of interest to observe what disposition the banks made of the funds available. Apart from a reduction of $5,000,000 in gross assets it is noted that there are increases of $4,400,000 in holdings of Dominion notes and $3,800,000 in gold reserve, while advances on Government securities are up $2,400,000, on municipal credits, $5,900,000, on provincial credit $2,000,000 and loans abroad have expanded by $1,300,000. Funds have been recalled from abroad to a large extent, as indicated by the fact that balances in foreign banks are down by $3,000,000 and in British banks by $3,300,000, while call loans abroad have declined by $4,500,000. Advances on letters of credit have also contracted by $6,800,000. Canadian call loans are lower by $1,500,000 and advances on public securities are reduced by a similar amount.

A significant feature of the statement of liabilities is the reduction in the amount owing to the Dominion Government by $40,000,000. but whether this means that the Government has been drawing on its balances on deposit or whether the banks have been reducing their advances on legals under the War Measures Act is not made clear; perhaps both tendencies are indicated.

THE WILD FINANCIAL CAREER OF SCHAFER

His Activities in High Finance Led to Closing of Fourteen Minnesota Banks

On the charge of grand larceny William H. Schafer, whose fraudulent activities led to the closing of 14 banks in the state of Minnesota has pleaded guilty. In view of the fact that there has been a strong agitation in Western Canada for the establishment of unit banks along the lines of those operating in the United States, the career of Schafer holds much of interest to the Canadian banking community and it will be of interest, therefore, to follow his sensational operations in the field of "high" finance.

Last summer Schafer bought control of the Mortgage Security Company, a holding company for 14 banks, buying the interests of the late Roy Quimby, who had organized the banks. He also had previously obtained control of the Commonwealth Mortgage company of Minneapolis, and had made a first payment for the securing of possession of the Western Finance Company, another investment concern, when his methods of high finance were disclosed by the State Banking Department.

As a collector of autographs on promissory notes, particularly those of minors, Schafer probably holds the record in the opinion of "Commercial West." The vice-president of the Mortgage Company testified that he had obtained over $700,000 from his line of banks on 573 notes, most of them signed by irresponsible people, a great many of them being minors. These dummy note makers were stenographers and other employes of Mr. Schafer's various companies; young fellows in the university, boys hanging around in pool rooms and others who were persuaded to sign these notes in blank, which were afterwards filled in by Schafer or his secretary.

One, David Gottlieb, which may be German for "get notes," was the principal collector of autographs for Mr. Schafer. He would get young chaps on one pretext or another, to sign up anywhere from five to two dozen notes in blank. In some cases where questions were asked, or doubt expressed as to the propriety of signing such notes, Schafer gave a written guaranty to the signer that the maker of the note would not be held responsible or in any way liable for its payment. Scores of the notes were signed without the signer's knowing they were placing their names to any such thing as a promissory obligation, commenting on the seriousness of Schafer's offences, "Commercial West" says:

The full penalty in Minnesota is only 10 years in the state prison for the crime of grand larceny. Many people express regret that the court has not power to make this sentence a year for every worthless note covered in the indictment and involving so many hundreds of innocent people.

Superintendent Pearson of the State Banking Department now estimates that the depositors in the 14 banks involved will receive around 50 cents on the dollar. At the time the banks were closed their aggregate deposits were nearly $1,700,000.

Analysis of Bank Statement for April

ASSETS

	Apr., 1919	Mar., 1919		Change in month	Apr., 1918		Change in year
Immediately - Available Liquid Resources							
1—Specie	$ 80,457,174	$ 80,253,572	+	$ 203,602	$ 78,283,307	+	$ 2,173,867
2—Dom. notes ..	177,085,317	172,651,993	+	4,433,323	169,345,075	+	7,740,242
4—Gold reserve .	112,200,000	108,350,000	+	3,850,000	80,470,000	+	31,730,000
9—U.K. banks..	7,445,880	10,763,482	—	3,317,602	9,325,438	—	1,879,558
10—For. banks ..	41,230,016	44,583,970	—	3,353,954	53,564,308	—	12,334,292
11—Gov. secs. ...	117,616,232	115,180,320	+	2,435,912	101,764,911	+	15,851,321
15—Call loans abd.	155,533,666	160,116,443	—	4,582,777	179,818,531	—	24,284,865
	$ 691,568,285	$ 691,899,780	—	331,495	$ 672,571,570	+	$ 18,996,715
Loans and Securities Other Than Those of Canadian Government.							
12—Pub. sec. ...	$ 258,504,084	$ 260,003,939	—	$ 1,499,855	$ 260,978,505	—	$ 2,474,421
13—Rly. secs. ...	54,628,323	54,276,188	+	352,135	57,048,350	—	2,420,027
14—Can. call lns.	86,091,844	87,601,337	—	1,509,493	77,497,360	+	8,594,484
16—Current loans	1,107,986,523	1,117,197,446	—	9,210,923	884,089,402	+	223,897,121
17—Loans abroad	125,328,561	123,984,608	+	1,343,953	99,267,660	+	26,060,901
19—Prov. loans ..	8,660,899	6,636,143	+	2,024,756	5,652,646	+	3,008,253
20—Municipal ...	47,911,199	41,993,305	+	5,917,894	55,685,350	—	7,774,151
	$1,689,111,433	$1,691,692,966	—	$ 2,581,522	$1,440,219,273	+	$248,892,160
Other Assets.							
21—Over. debs....	$ 3,833,714	$ 4,267,700	—	$ 433,986	$ 4,650,055	—	$ 816,341
22—Real estate ..	6,196,620	6,106,956	+	89,664	5,570,990	+	625,630
23—Mortgages ..	2,254,138	2,280,556	—	26,418	1,801,825	+	452,313
24—Premises	53,443,467	53,317,635	+	125,832	52,313,874	+	1,129,593
25—Lets. of cred.	22,079,366	28,928,930	—	6,849,564	21,563,672	+	515,694
26—Other assets	2,367,509	2,447,520	—	80,011	2,581,369	—	213,860
	$ 90,174,814	$ 97,349,297	—	$ 7,174,483	$ 88,481,785	+	$ 1,693,029
Total	$2,470,854,532	$2,480,942,043	—	$10,087,511	$2,201,272,628	+	$269,581,904
3—Note cir deb.	7,618,219	5,865,538	+	1,752,681	5,779,567	+	1,838,652
5-8—Int. bk. bal.	128,681,046	125,356,130	+	2,324,916	105,218,963	+	23,462,083
Gross	$2,607,153,798	$2,612,163,711	—	$ 5,009,923	$2,312,271,158	+	$294,882,640

LIABILITIES TO THE PUBLIC

	Apr., 1919	Mar., 1919		Change in month	Apr., 1918		Change in year
Liability to Government and Circulation							
1—Circulation ..	$ 208,958,572	$ 214,576,870	—	$ 5,618,298	$ 180,654,964	+	$ 28,303,608
2—Dom. Govt. .	188,129,800	228,201,515	—	40,071,715	94,771,219	+	93,358,581
3—Prov. Govt. .	21,754,210	21,646,571	+	107,639	17,846,752	+	3,907,458
Deposits by Public							
4—Demand dep..	$ 571,412,857	$ 566,797,268	+	$ 4,615,689	$ 558,509,221	+	$ 12,903,636
5—Saving dep...	1,070,985,080	1,037,851,766	+	33,133,314	933,644,668	+	137,340,412
Total Can. ...	$1,642,397,937	$1,604,649,034	+	$37,748,903	$1,492,153,889	+	$150,244,048
6—Foreign dep..	212,649,470	210,104,607	+	$ 2,544,863	$ 203,473,448	+	$ 9,176,022
Due to Banks Abroad, Etc.							
9—U. Kingdom.	$ 7,377,784	$ 4,534,803	+	$ 2,842,981	$ 4,431,352	+	$ 2,946,432
10—Foreign	29,328,257	29,217,468	+	110,789	31,920,656	—	2,592,399
11—Bills pay. ...	2,535,218	1,931,593	+	603,625	2,451,067	+	84,151
12—Acceptance .	22,079,366	28,928,930	—	6,849,564	21,563,672	+	515,694
13—Other liab. .	2,975,269	2,935,727	+	39,542	7,261,658	—	4,286,380
Public liab. ..	$2,338,185,883	$2,346,727,118	—	$ 8,541,235	$2,056,528,677	+	$281,657,206
8—Due bet. bks.	13,910,572	11,431,201	+	2,479,372	7,026,185	+	6,884,388
Gross	$2,352,096,456	$2,358,158,319	—	$ 6,061,863	$2,063,554,862	+	$288,541,594

New Issue $450,000.00 **Eight years 6%**

1st Mortgage, Closed, Secured Sinking Fund Gold Bonds.

The Dandurand Building Company Limited

Corner St. Denis and Ste. Catherine Sts.

MONTREAL

Dated May 1st, 1919 Due May 1st, 1927

Principal and interest payable at the bank of Hochelaga in Montreal, Quebec, National Park Bank, New York City. Interest payable May and November.

DENOMINATIONS—$100, $500

Value of property estimated by experts $775,000

Net earnings available for bond interest 41,715

(Nearly twice the interest on $450,000 at 6% per annum)

TRUSTEE—The Montreal Trust Co.

LEGALITY—MM. Kavanagh, Lajoie & Lacoste and MM. Rainville & Rainville, Advocates, have passed and approved of the legality of this issue.

Trust deeds have been passed before Mtre. Victor Morin, N.P.

SINKING FUND—The trust deed provides for the creation of a sinking fund to redeem a substantial amount of the bonds during the life time of the issue.

PRICE—Par ($100.00) and accrued interest.

CREDIT CANADA LIMITEE

Hon. H. B. Rainville (President)

Bankers

Established 1910

ST. JAMES - - MONTREAL

NEW ISSUE

7% Cumulative Preferred Stock

OF

Holt, Renfrew Co., Limited

An opportunity is now given the investor of participating in the profits of this well-known firm, established in 1837. Since then it has grown steadily, until to-day it is the largest company of its kind in Canada, with branches at Quebec, Montreal, Toronto and Winnipeg.

SALES for year ending January 31st, 1915	$ 992,870.19
" " " " January 31st, 1916	1,220,018.97
" " " " January 31st, 1917	1,754,487.78
" " " " January 31st, 1918	2,199,415.30
" " " " January 31st, 1919	2,996,031.20

NET PROFITS for year ending January 31st, 1919......$230,347.26

This leaves a very large surplus over the Preferred Stock Dividend requirements, equal to over 14% on the Common Stock.

Both the Preferred and Common Stocks will be listed on the Montreal Stock Exchange, ensuring a ready market for those who wish to dispose of their holdings at any time.

To those who are seeking a safe and profitable investment, we recommend the purchase of this stock. The issue is being rapidly subscribed, and we suggest that you place your order promptly if you wish to secure some of these shares.

Prospectus on Request.

Price, $98 Per Share, Carrying a Bonus of 25% Common Stock.

GREEN, HENDERSON & CO.

SUN LIFE BUILDING, 60 Victoria Street. Main 4500 TORONTO Canada

Rates for Long Distance Service

THE new schedule of rates for Long Distance Telephone Service as approved by the Board of Railway Commissioners is effective May 25th.

¶ Following is a comparison of old and new rates for a 3-minute talk to points most frequently called by ***Toronto*** subscribers:

	OLD RATE	NEW RATE
Toronto to Hamilton - -	$ .25	$ .30
Brantford - -	.40	.40
St. Catharines -	.40	.30
Guelph - - -	.30	.35
London - - -	.60	.70
Montreal - -	2.00	2.05
Ottawa - - -	1.50	1.45
Windsor - -	1.10	1.35
North Bay - -	1.25	1.20

¶ The new rates, based upon air-line mileage, correct inequalities in the old schedule and embody both increased and decreased charges.

Every Bell Telephone is a Long Distance Station

The Bell Telephone Co. of Canada

THE FINANCIAL POST

President - - - - JOHN BAYNE MACLEAN
Manager - - - - - - GORDON RUTLEDGE
Editor - - - - - - - - J. W. TYSON

A weekly newspaper, presenting in a popular manner reliable information respecting investments and financial affairs in Canada.

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Advertising matter is investigated before publication, and none of known questionable character is accepted. Acceptance of advertising will not deter the editorial department from making such comments as the situation may suggest.

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TORONTO, MAY 31st, 1919.

FRANKNESS IN BIG THINGS

IT is deplorable, but too often the case, that successful men, who are frank in their relations with individuals, are anything but frank in their dealings in a larger way. If in business, they are not frank with their customers, with their competitors, or with their employees; if in politics they are not frank with the public.

One of the biggest of the business executives in Canada recently commented on this state of affairs to THE FINANCIAL POST when he remarked that it seemed to him that the men who went to Ottawa soon came to the conclusion that the only way he could accomplish anything was by being slick and underhanded.

Judge E. H. Gary, head of the world's largest industrial enterprise, declares that if there had been frankness instead of secrecy and underground wire-pulling in 1914, the war could and would have been avoided.

The labor trouble to-day is largely because of lack of frankness between employers and employees, and the obligation for not taking the initiative, in a large degree, is on the former. If the workers thoroughly understood the problems of those who control industry, it would not be hard to come to an understanding, but a spirit akin to Bolshevism has been encouraged, because those who have plotted this thing have found fertile ground on which to work.

The fight for a lower tariff is another example of a lack of frankness in big affairs. The farmers are suspicious of the manufacturers, because they do not appreciate or understand their position and the importance to the country's welfare of an intelligent policy of protection. If each understood the other better, a national policy should not be a matter of difficulty.

If, then, as Judge Gary says, lack of frankness brought about a state which fostered war, how much more has the same lack of frankness brought about the present conditions of unrest? The development of a get-together, give-and-take policy in business affairs and in public affairs would go far to solve the difficulties responsible for the present crisis.

THE PRICE OF HIGH WAGES

IF a ton of coal in the ground is worth about ten cents and the coal delivered to a steel manufacturer is worth six dollars, and if a ton of iron ore in the ground is worth about twenty cents and pig iron, delivered, eight dollars a ton, and if the difference is practically all labor in some form, it can be readily seen that the idea that prices of manufactured products can be reduced, while wages are increased, is an illusion. The figures quoted are approximate, but they were given to THE FINANCIAL POST by the head of one of the largest industries in Canada as illustrative of how the public may be misled by the half-baked economic theories of socialist cure-alls.

Raw materials as such can be traced back to a few elementary sources, such as mineral deposits, trees, etc. In the original state they are even to-day valued at a figure that has little bearing upon the finished product. Labor is the dominating factor in the cost of every process until the consumer is reached. Likewise labor is the dominating factor in the production of foodstuffs.

It is futile, therefore, to argue that the cost of living can be reduced while hours are being cut down and wages advanced. Those politicians, labor leaders and newspapers doing so are merely taking advantage of a popular fallacy, which has already led to dangerous discontent. It is safe to say that there is no greater cause for the present day unrest in Canada than the idea that the cost of living is too high, and yet there is no effort to show that the cost of labor is the dominating factor, and that the return to labor bears a direct relationship to the value of the product of labor.

At such a time the problem is further complicated by the tendency to discourage large scale production by the unsound taxation of industrial profits and otherwise handicapping manufacturing activities. In this direction lies the only logical way of doing anything to increase the margin of wages above the cost of living—that is by increasing the efficiency of labor through organization; in brief, by "big business." The war and the necessity for big production on an efficient basis has shown the benefits of industrial mergers and of industrial cooperation in buying and marketing. There are further benefits to be gained in this direction with proper encouragement to capital and initiative. The important thing is to distinguish between co-operation for efficient, low cost production on a big scale and combination for executive profits on curtailed output. These combines are few in number, but they are a big factor in the present crisis, and their crimes are charged to manufacturers as a whole. It is up to the Government and the manufacturers themselves through their own organization to endeavor to combat them and overcome their evil influence in the good of industry as a whole.

SIR ADAM AVERTS A STRIKE

SIR ADAM BECK is given great credit—by himself and certain admirers, at least—for averting the strike of the Hydro employees. Perhaps he is not entitled to it. Perhaps he did the best thing under the circumstances. Even so, there are certain of his methods of procedure which are typical of the man and cannot fail to appeal to those who have followed his career as the autocrat of Ontario.

Sir Adam's method of averting the strike was to give the workers everything they asked for. Despite the fact that he himself figures that this will mean an additional cost of $7,000,000 on the Chippewa project, they may be entitled to it. But it cannot be said that in granting a 44-hour week when this very grave industrial issue was having the serious consideration of Ottawa was helping to solve a great national problem. Perhaps Sir Adam considered that he carried a few grudges against the Government because they had not shown a willingness to share the yoke of the legislation makers of Queen's Park. He has a habit of trying to get back at those who do not see eye to eye with him and believe that "there are never two sides to any question"—to use his own expression.

Also it may be pointed out that Sir Adam manoeuvred so that he got all the credit for the settlement. This may win him popularity with the workers, but not necessarily with the municipalities and the ratepayers, whose money he is spending. He opposed the men until he got full power to act from the convention of municipalities, and then handed out favors in a manner which, no doubt, indicated to the men that they owed everything to this open-handed benefactor who had overruled the municipalities in their behalf. And he got the power from the municipalities by adopting the blubbering tactics of a spoiled child—by throwing his papers on his desk and threatening to quit the job unless he got his own way.

But it only means another $7,000,000 in a scheme which is questionably sound. Sir Adam gets it from the municipalities, and the municipalities take it out of the ratepayers. Sir Adam's engineers spend it and Sir Adam's auditors keep track of it. No one seems to think it worth while to have the whole enterprise tested as to its soundness from a common business standpoint.

WHERE DOES THE INVESTOR COME OUT?

ONE of the witnesses before the Industrial Commission at London presented a unique complaint. He did not appear as a representative of capital or of labor. He appeared as one who had belonged to the latter class and had never attained to the former. In other words, he was the retired worker and small investor, depending upon his savings to provide his living during his declining years. For the class of which he is typical—a class more numerous than might at first appear—the situation now developing is a very serious one.

This worker, who had retired to live through his autumn years on the savings from his labors, had accumulated sufficient funds to carry him through 15 years, figuring conservatively on the basis of the cost of living at that time. His evidence, however, was to the effect that as the result of the advance in the cost of living, his funds would only last six years.

Labor to-day is receiving about double the wages prevailing before the war. The cost of living has increased almost as much. But interest rates have not generally increased. Therefore, while the worker is quite able to meet the increased cost of living, investors, dependent on the savings of past years of labor, must exist on what amounts to approximately half the former income from the standpoint of buying power. Likewise the salaried class, representing that important connecting link between capital and labor—management—and other unorganized employees have failed to share as fully as the union worker in the advance of wages and stands to bear, in a large degree, the brunt of the present crisis.

If organized labor by the force of the one big union and the sympathetic strike takes more than its fair share of the profits of production, not only will capital suffer—and in suffering withdraw and curb industrial operations—but the small investors will be cheated of the fair valuation of their savings from past years of labor by the inflated cost of living, which will become permanent. Likewise salaried management will be forced to take less and initiative in organization as in promotion will be discouraged. Such conditions can eventually prove nothing less than a boomerang to the great mass of the people.

EDITORIAL NOTES

SIR THOMAS SHAUGHNESSY seems to have a lot of trouble in keeping out of the publicity spotlight operated by enterprising newspapermen. His own statement that he has no "political, social or any other sort of ambitions" should leave him in the gloom for a little while, however.

* * *

AFTER bulldozing the municipalities into giving him supreme authority for dealing with the Hydro employees, Sir Adam Beck gave the workers everything they asked for—thus "averting" a strike. This is the man upheld by the Toronto *Telegram* as a great "negotiator."

* * *

IN THE opinion of the *Canadian Gazette* (London), Sir Edward Kemp has no excuses to offer for Argyll House. The *Gazette* says: "We who have watched its multifarious activities for many months are not surprised. It is indeed an organization of which, in the minister's words, as reported in another part of this issue, Canada has every reason to be proud."

* * *

DESPITE all the newspaper talk about the food profiteers, Government inquiry has revealed that heavy losses were sustained by many firms engaged in the packing industry during 1918, which was a most unfavorable year. These firms should not wait for the Government to make known what it would be in their interests to have the public understand.

PERSONAL

CHARLES F. BATCHELDER, who has been associated with the Guaranty Trust Co., of New York, for a number of years, has taken up his duties as vice-president and chief executive of the United Financial Corporation Ltd., at Montreal. Mr. Batchelder, who has had a wide experience in financial affairs, will co-operate closely with J. M. Mackie, who is the general manager of the new concern. It will be remembered that the United Financial Corporation is the name given to the combination of the business of C. Meredith & Co., Ltd., of Montreal, and the Guaranty Trust Co.

LORNE C. WEBSTER, who was this week chosen as a director of the Merchants Bank of Canada, only one week ago was announced as a member of the board of directors of the reorganized Holt, Renfrew Company. Shortly before this he was appointed as president of the Quebec Railway, Light Heat & Power Company in succession to the late Sir Rodolphe Forget, so that honors for increasing directorates are running close between Mr. Webster and Mr. Robert Adair. Mr. Webster is known best through his long and very successful connection with Nova Scotia Steel & Coal Company, of which he is a director. He is also a director of Goodwin's, Limited; the Travelers Life Assurance Co.; the Quebec-Levis Ferry Company; and the St. Lawrence Stevedoring Co., Limited, in the latter of which he is president. He was born in Quebec in 1871, so that he is still in his forties.

T. FRED ASPDEN, who has become vice-president of the Bank-Union Foreign Banking Corporation in New York is an Englishman, by birth, although regarded as a Canadian by virtue of a long residence in Canada, and is considered to be one of the best equipped specialists in the development of trade in foreign fields in America. Entering the service of the Merchants Bank of Canada in 1881 he remained with this bank until 1888. From that date until 1904 he was with the First National Bank of Chicago. Leaving Chicago in 1904 he became connected with the Canadian Bank of Commerce, as a special representative traveling in all parts of Europe in connection with the bank's foreign business. For a number of years before his appointment to the vice-presidency of the American Foreign Banking Corporation, he acted as supervisor of the Canadian Bank of Commerce, looking after foreign accounts and international relations. Not only Mr. Aspden's past connections with American banking institutions, but his new appointment serve to further emphasize the important part that Canadian and Canadian-trained bankers have taken and are increasingly taking in the development of American international banking.

W. C. NOXON, chief assistant to Lloyd Harris at the Canadian Mission in London, was the guest of the Salvage Club (a club composed of War Office officials engaged in salvage work) at a lunch given at the Royal Automobile Club, with Sir Howard Spicer in the chair. In the course of a speech Mr. Noxon said, according to the *Canadian Gazette*, that the Canadian Mission was also engaged in salvage work—the salvage of Europe. The reconstruction that was necessary to Europe was beyond the capacity of Great Britain and the Allies, and Canadians thought they ought to be permitted to lend a hand. The time was opportune to extend credits to various parts of Europe. Canada had done this and had thus stimulated her own industries. They wanted to co-operate with Great Britain, to iron out the wrinkles, and make possible real Imperial trade. The grit must be taken out of commercial gears. Canadians did not want to do anything detrimental to this country.

HERBERT WADDINGTON, whose death came suddenly on Saturday last at his home in Toronto, was well known as a financier and real estate operator in the Queen City and had many business connections throughout Canada. Of recent years his activities had been best known in connection with the affairs of the Standard Reliance Mortgage Corporation of which he was managing director and the Sterling Trusts Corporation. He was also a member of the boards of the Dovercourt Land Building and Savings Co., Law Securities Co., Lake Simcoe Navigation Co., Union Stock Yards, Canada Producer and Gas Engine Co., and Might Directories, Limited. He had always taken a large interest in the development of North Toronto where he lived for about thirty years and where he was for some time in the real estate business. Just recently he had been taking an active interest in the auction sale of lots of the Dovercourt Company and in the solution of the York Radial problem. He had many vivid remembrances of the days in this country when the future was not by any means assured and when capitalists must have courage to advance their funds to Western Canada. This was a subject upon which he had promised to write in the Trust and Loan Number of THE FINANCIAL POST, published last week, but his illness interfered.

LIEUT. COLONEL CLARENCE A. DENISON, chief accountant of the Standard Bank of Canada, retires from active banking work on the first of June next. His retirement discloses a record unique in the history of Canadian banking, showing as it does the holding of a post continuously and unbrokenly for the long period of forty-one years. Col. Denison has undoubtedly vised more bank returns and statements for the Government than any of his contemporaries in Canada. In 1869 Col. Denison joined the staff of the City Bank of Montreal the local office of which was situated where now stands the business house of W. R. Brock & Company, Ltd., corner Bay and Wellington streets. This bank later united with the Royal Canadian Bank, the amalgamation being called the Consolidated Bank of Canada, the local office of which was situated on Front street on the present site of Messrs. John MacDonald & Company, Limited. In 1874 he entered the service of the St. Lawrence Bank, which in the next year, 1875, assumed the name of the Standard Bank of Canada, Mr. John L. Brodie, formerly manager of the Royal Canadian Bank at Montreal, becoming cashier. In 1878 he was appointed chief accountant to the bank which position he has filled very ably and acceptably both to the bank and the public to the present day.

Imperial Bank of Canada

Forty-Fourth Annual Meeting of the Shareholders

Held at the Head Office, Toronto, Wednesday, May 28th, 1919, at 12 noon

The Forty-fourth Annual General Meeting of the Imperial Bank of Canada was held in pursuance of the terms of the Charter at the Banking House of the Institution, May 28th, 1919.

THE REPORT.

The Directors have pleasure in presenting to the Shareholders the Forty-fourth Annual Report and Balance Sheet of the affairs of the Bank as on 30th April, 1919, accompanied by statement of Profit and Loss Account showing the result of the operations for the fiscal year.

The balance at credit of Profit and Loss Account carried forward from last year was	$1,204,942.91
The net profits for the year after deducting charges of management, Auditors' fees and interest due depositors and after making provision for bad and doubtful debts and for rebate on bills under discount amounted to	1,247,516.75
Making a total at credit of Profit and Loss Account	$2,452,459.66
This amount has been applied as follows:—	
Dividends at the rate of 12% per annum	840,000.00
Annual Contribution to Officers' Pension and Guarantee Funds	42,500.00
Special Contribution to Pension Fund	100,000.00
Contributions to Patriotic and other War Funds	34,500.00
War Tax on Bank Note Circulation	70,000.00
Transferred to Reserve Fund	500,000.00
Balance of Account carried forward	865,459.66
	$2,452,459.66

Branches of the Bank have been opened during the year as follows:—

In Alberta:—Bear Lake, Crossfield, Daysland, Edson, Grande Prairie, Greencourt, Rocky Mountain House, Sangudo, Spirit River, Sylvan Lake, Waterhole.

In British Columbia:—Kimberley.

In Manitoba—Gimli, Riverton.

In Quebec:—St. Jovite Station.

In Ontario:—Toronto—Danforth and Carlaw, Queen and Carlaw, St. Clair and Boon, Leaside; Simpson Street, Fort William; Grand Valley, Glenmorris, Kirkland Lake. Port Robinson, Queenston, Richards Landing, Smooth Rock Falls, Welland South, Waldemar.

In Saskatchewan:—Canwood, Dafoe, Edenwold, Fielding, Hepburn, Krydor, Lestock, Piapot, Waldheim.

The following branches have been closed:—

In Ontario:—Iroquois Falls, Leaside and Mount Dennis.

In Saskatchewan:— Kandahar and Lestock.

Since the close of the fiscal year branches have been opened at Colinton, Rockfort and Whitecourt, Alberta; Westminster and Arlington Sts., Winnipeg, Manitoba; Matheson and Nobleton, Ontario.

The Head Office and branches of the Bank have as usual been carefully inspected during the year and the Auditors appointed by the Shareholders have also made their examinations as required by the Bank Act. Their Report and Certificate will be found attached to the Balance Sheet. They offer themselves for re-appointment.

It is with much regret that your Directors have to report the death during the year of Mr. Cawthra Mulock, and Hon. W. J. Hanna, K.C. Their places on the Board have been filled by the appointment of Mr. Frank A. Rolph and Mr. Robert S. Waldie.

Owing to ill-health, Mr. Edward Hay was obliged during the year to relinquish his position as General Manager. His place has been filled by the appointment of the Assistant General Manager, Mr. William Moffatt, who has been in the service of the Bank since 1881.

The Directors have pleasure in again testifying to the satisfactory manner in which the officers of the Bank have discharged their respective duties.

All of which is respectfully submitted.

PELEG HOWLAND,
President.

LIABILITIES.

Notes of the Bank in circulation		$ 11,870,723.00
Deposits not bearing interest	$21,486,089.28	
Deposits bearing interest, including interest accrued to date of Statement	61,712,144.91	
		83,198,234.19
Balances due to other Banks in Canada	$ 792,522.85	
Due to Banks and Banking Correspondents in the United Kingdom	595.42	
Deposits by and Balances due to Banks elsewhere than in Canada and the United Kingdom	609,347.44	
Acceptances under Letters of Credit (as per contra)	139,575.00	
		1,542,040.71
Total Liabilities to the public		$ 96,610,997.90
Capital Stock paid in		7,000,000.00
Reserve Fund Account	$ 7,500,000.00	
Dividend No. 115 (payable 1st May, 1919) for three months, at the rate of 12% per annum	210,000.00	
Balance of Profit and Loss Account carried forward	865,459.66	
		8,575,459.66
		$112,186,457.56

ASSETS.

Current Coin held by the Bank	$ 2,573,248.73	
Dominion Government Notes	9,554,118.00	
		$ 12,127,366.73
Deposit in the Central Gold Reserves		6,000,000.00
Deposit with the Minister for the purposes of the Circulation Fund		389,491.77
Notes of other Banks		840,795.00
Cheques on other Banks		4,364,152.52
Balances due by other Banks in Canada		603,324.47
Due from Banks and Banking Correspondents in the United Kingdom		323,970.95
Due from Banks and Banking Correspondents, elsewhere than in Canada and the United Kingdom		3,008,947.32
		$ 27,658,048.76
Dominion and Provincial Government Securities, not exceeding market value	$ 5,934,919.21	
Canadian Municipal Securities, and British, Foreign, and Colonial Public Securities other than Canadian	14,702,059.33	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	775,397.91	
		21,412,376.45
Loans to Provincial Governments	$ 37,000.00	
Loans to Cities, Towns, Municipalities and School Districts	4,610,473.30	
Call and Short Loans (not exceeding thirty days) in Canada on Bonds, Debentures and Stocks	4,866,495.25	
		9,513,968.55
		$ 58,584,393.76
Other Current Loans and Discounts in Canada (less rebate of interest)		48,544,711.12
Liabilities of Customers under Letters of Credit (as per contra)		139,575.00
Overdue Debts (estimated loss provided for)		376,949.44
Real Estate (other than Bank Premises)		548,886.27
Mortgages on Real Estate sold by the Bank		539,034.48
Bank Premises, at not more than cost, less amounts written off		3,390,333.92
Other assets, not included in the foregoing		62,573.57
		$112,186,457.56

AUDITORS' REPORT TO SHAREHOLDERS.

We have compared the above Balance Sheet with the books and accounts at the Chief Office of Imperial Bank of Canada and with the certified returns received from its Branches, and after checking the cash and verifying the securities at the Chief Office and certain of the principal Branches on 30th April, 1919, we certify that in our opinion such Balance Sheet exhibits a true and correct view of the Bank's affairs according to the best of our information, the explanations given to us and as shown by the books of the Bank.

In addition to the examinations mentioned, the cash and securities at the Chief Office and certain of the principal Branches were checked and verified by us during the year and bound to be in accord with the books of the Bank.

All information and explanations required have been given to us and all transactions of the Bank which have come under our notice have in our opinion been within the powers of the Bank.

G. T. CLARKSON, F.C.A.
R. J. DILWORTH, F.C.A.
of Clarkson, Gordon and Dilworth,

The customary motions were made and carried unanimously.

Mr. G. T. Clarkson, F.C.A., Toronto, and Mr. R. J. Dilworth, F.C.A., Toronto, were appointed Auditors of the Bank for the ensuing year.

The Scrutineers appointed at the meeting reported the following Shareholders duly elected Directors for the ensuing year: Messrs. Peleg Howland, Elias Rogers, William Ramsay (of Bowland, Stow, Scotland), William Hamilton Merritt, M.D. (St. Catharines), Sir William Gage, Sir James Aikins, K.C. (Winnipeg), John Northway, J. F. Michie, Sir James Woods, E. Hay, Frank A. Rolph, R. S. Waldie.

At a subsequent meeting of the Directors Mr. Peleg Howland was re-elected President and Mr. Elias Rogers, Vice-President, for the ensuing year.

PELEG HOWLAND,
President.

W. MOFFATT,
General Manager.

DEPENDABLE INVESTMENTS

A. E. Ames & Co.
ESTABLISHED 1889
Union Bank Building, Toronto
Montreal New York

SUGGESTIONS ON REQUEST

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

F. N. BURT

G. H. S., Ontario.—Would be glad to have your opinion regarding the investment value of F. N. Burt stock.

Few of the industrial propositions offered to Canadian investors are much better regarded than F. N. Burt. The company has good management and a good record and the future is reasonably assured. Recent reports indicate that business continues very satisfactory with a good outlook. Of course, as with most other industrial concerns, there are some factors for uncertainty, but so far as labor is concerned—and that is the most important point to be considered for the moment—officials do not feel apprehensive. The plants are being operated on short hours, and as many of the employees are girls who are now drawing comparatively high pay it is not thought that there will be any serious disturbance.

CANADA CEMENT

G. H. S., Ontario.—Would be glad to have your opinion regarding the investment value of Canada Cement preferred and common stocks.

We regard Canada Cement as one of the better of Canadian industrial investments. During the war when the earnings were down to a low basis owing to the small amount of construction that was going on the company was still earning all its charges, independent entirely of the large amount of munition business that it had. This business brought in several million dollars of profits, and it is not known just yet what use will be made of those. At the present time there is a claim of several million dollars against the United States Government for work done on munitions that had to be suspended when the armistice was signed. This will be settled on a fair basis we understand, and will mean a large amount of extra capital for the company. Then, in aldition, there is a new field that has opened up within the last few weeks, namely export business with South America and the West Indies. This point was touched on in last week's issue of the FINANCIAL POST, and the output for this purpose should be greatly increased. The company can easily develop this trade as their plants are not running to more than one-third capacity. They are also extending their control of cement plants in Western Canada so as to be ready for business in British Columbia. There would seem to be a good prospect, therefore, of the price of the common stock increasing and the dividend working up.

UNLISTED BONDS AND STOCKS

If you have any to sell, we will be pleased to make you a bid, or should you wish to buy, an offering.
The latest reliable quotation on any unlisted security furnished free on request.

Grant Johnston & Co.
MEMBERS MONTREAL STOCK EXCHANGE.
86 NOTRE DAME STREET WEST,
MONTREAL

RSC INVESTMENT-SERVICE

6½% to 7¼%

can be earned on your money with safety in thoroughly secured Bonds and Debentures of Canadian pulp and paper Corporations.
The growth of Canada's Pulp and Paper Industry is remarkable. The demand for its products is basic.
May we recommend some safe and profitable pulp and paper Mortgage Securities? Write us for information and particulars.
You are invited also to write for your copy of "Investment Items."

Royal Securities
CORPORATION
LIMITED
... S. ST., MONTREAL
... KING ST. W., TORONTO

Route Your Shipments
CANADIAN NATIONAL

BELL TELEPHONE

H. W., Southport.—As a constant reader and subscriber to your paper for many years I should like your opinion of Bell Telephone Company. I noticed some time ago that they were appealing for higher rates. Would you advise holding the shares as a sound investment?

Everything goes to indicate that Bell Telephone stock is a very solid investment. The market record during recent years has been proof of this. As you say you are a constant reader of the FINANCIAL POST you have probably been following the recent devolopments. The company was not able to get an increase in rates such as it requested, but the fact that there was no decline in the stock following the award of 10 per cent. would seem to indicate that this was all that had been reasonably expected. In connection with the new issue of stock of which you have no doubt been advised, the rights at 4 and 4½ put the stockholder in the very happy position of being able to dispose of these rights or of exercising them and thus securing additional stock at a market premium of about 22, while the present market remains at 130. An adjustment of the market will, of course, take place upon the issue of the new stock. At the present time you could sell on an attractive basis and that might be a satisfactory course to follow in the event of your total holdings being large in relation to all your assets. However, if your total investsments are well balanced, Bell Telephone should make a reasonably satisfactory hold. The only weak point regarding it which we can see is the increasingly unfavorable attitude of the general public towards public service corporations making substantial profits. The increase in rates which has now been allowed has not been generally popular, and if operating costs continue to rise it may be difficult to secure advances in the future which will be commensurate.

CANADIAN CORDAGE COMPANY

Rawson.—What is value of stock of Canadian Cordage and Manufacturing Co., Frontenac?

The Canadian Cordage and Manufacturing Company, Peterborough, Ontario, went into liquidation some ten or twelve years ago. Its assets were taken over by the Bank of Ottawa. Our understanding is that the stock is not worth anything.

LONDON LOEW'S

Seaforth.—Kindly let me have your opinion of the Loew's Theatre, London, proposition. Agents are in town soliciting sales of preferred 7 per cent. with a bonus of common stock.

The Loew's theatre proposition in Toronto, Montreal and Hamilton, as in many American cities, has been a good money maker for investors. There would appear to be no reason, therefore, that reasonable success should not attend the London project. We understand that, owing to local conditions, there is likely to be some keen competition among the play houses and picture houses of the Forest city, but up to the present time the Loew's management has shown itself capable of meeting such conditions successfully. With a large circuit of theatres the concern is in a position to control film and vaudeville artists on a satisfactory basis, or at least to better advantage than individual theatres. However, the proposition is, of course, a speculative one and there is a possibility that the popularity of this class of proposition will wane in the future, although it does not seem likely that general conditions in Canada will react to the extent that the general public will not find the price for moderate-rate entertainment of this kind.

COBALT FRONTENAC

Stirling.—What is value of stock of Cobalt Frontenac Mining Co., Flinton?

The Cobalt Frontenac Mining Co. is still active on its properties in Eastern Ontario, but operations have for some years been of a spasmodic character. Gold is being produced, but the value of the properties is problematical. The report of the Ontario Bureau of Mines for 1918 shows that the construction of a hydro electric power plant as a source of electrical energy for one of the mines has been completed. The erection of a 200-ton ore bin and the erection of a crusher with a capacity of 300 tons in ten hours has also been completed. In May, 1918, the company's head office was moved from Hamilton to the Golden Fleece Mine, Flinton, Ont.

HOLT-RENFREW

Banker, Ontario.—What is your opinion of the offering of Holt-Renfrew stock?

As regards the Holt Renfrew proposition much will, of course, depend upon the continuance in this business of those profitable conditions which have been experienced in recent years. Whether the demand for better class apparel and merchandise will continue on a large scale remains to be seen, but despite the factors for unsettlement Canada's future would seem to be reasonably well assured and in this connection the affairs of the Holt Renfrew Co. would depend to a large extent upon management. From this standpoint the company's position should be improved by the reconstruction now taking place.

Earnings have shown a very large increase in the last few years. Part of this has been due to the higher values of merchandise and the general belief among the retailers is that profits will not be as high in normal times as in war times. Outside of the natural risk that rests with most trading stocks, dependent on general business conditions, it would seem very probable that this stock would be able to continue its preferred dividends.

OTTAWA IGNORED THE WARNINGS OF LABOR TROUBLES

Continued from page 1

two behind public opinion and public knowledge.

The return of Premier Borden may inject more firmness into the administration. Sir Thomas White was, after all, only locum tenens, so why should he imperil his own future by mistakes, or pile up credit which would redound to someone else? He led the House well, which was all that could be expected of him.

But there have been a number of things hanging fire which would be better settled. Perhaps, if Sir Robert Borden had been home the labor trouble would never have been allowed to get so far as it did. He must have had an appreciation of the fact that trouble was brewing before he left, otherwise why should he have asked Mr. Cahan, as a personal favor, to accept a position where he could keep an eye on it?

A question which has a direct bearing on the tariff, and also on labor unrest, is the high cost of commodities in Canada. The general attitude of what, it may be noticed, the Western strikers are beginning to call "the intelligentsia," towards this question has been that it is like perpetual motion; something so difficult or impossible of solution that it is not worth taking into consideration. So far only tangible suggestion which might help in its solution has been tariff reform. While labor is not any more inclined towards free trade than any other appreciable section of the people of Canada, it does recognize that there is at least room for investigation to see if the tariff might have some bearing on the trouble. Torn as he is between the demands of the West and the stark necessity of raising revenue, it is nevertheless possible that the serious unrest spreading in Canada may have a pretty decided influence upon the Premier in giving his advice on the final touches to the tariff.

Kemp and Sifton Back

Among those who returned with the Premier and have taken their place in the House were Messrs. Kemp and Sifton. Mr. Sifton at once dropped back into his old quiet attitude of watchful waiting. Mr. Kemp ground out one whole afternoon with water which had already gone through the mill several times, being a statement of Canada's effort in the war, about which Parliament already knew all that can yet be let out. Certain rumors have been set afloat by a Montreal paper regarding an alleged plot to unhorse Sir Robert Borden and put someone else, presumably Sir Thomas White, in the saddle. That there is soon to be Cabinet reconstruction is undoubted, but if Sir Robert goes it is likely to be of his own free will, and in response to a call from a quarter that will appeal to him.

It is believed by some of his friends that he has already been approached with the proposal that he should become one of the Lords of Appeal of the Privy Council—a position, the dignity and salary of which would both appeal to him, so that any anxious applicant for the Premiership would be wiser to wait than to conspire.

CURRENT OPINION

Under this heading are published, for the information of our readers, the views of leading newspapers and individuals.

Their reproduction does not imply their endorsement. On the contrary, the investigations of THE POST'S editors often lead to entirely different conclusions from those quoted below.

"PARTICIPATION IN CONTROL."

Wall Street Journal

"Fused control," as it is called in Canada, and "participation in control," as our foremost sociologist terms it, was recently defined by the leader of a group of agitators to be the regulation of capital by labor, and the substitution of labor for money as the medium and basis of exchange. This definition was bluntly stated in the form of a recent demand before a Canadian commission which has been for some months investigating the feasibility of "fusible control."

There was then a general walkout of sixty unions, 30,000 employes, equal to the whole male vote of Winnipeg. They included the employes of the government-owned telephones, the shop workers on the government-owned railroads and all civic employes except the police, who were told not to walk out.

Non-striking private citizens manned the fire stations and electric light and other public utilities. They drilled in the armouries where the expeditionary forces of Canada had trained in the past years. For a time the comunity was threatened with starvation. The press itself was censored. Conditions are, of course, improving and will again become normal. Yet it must not be forgotten these occurrences were in a city which has given way to nearly every demand for public ownership of utilities, in one of the highest priced labor markets on earth, in a center of the highest per capita production in the world.

Public ownership, then, does not stop walkouts. The Winnipeg group leader says neither will participation in control. His plan is imposible, as he himself quite well knows. The value of labor would have to be figured in some form of token money. That would prevent strikes. There would be nothing left to strike for. Labor itself understands this, and in Winnipeg has recoiled from the suggestion that it is Bolshevist. Yet it has been used by Bolshevist agents almost beyond shadow of doubt.

Bolshevism understands what "participation in control" means. The citizens of Winnipeg now also realize what it means. It means an end of discussion, an end to concessions. It meant the repudiation of diplomacy which employs words to compromise with vicious principles of evil destructive of the best interests of society in every form.

With the high sense of practical civic obligation characteristic of their community, the citizens of Winnipeg manned the utilities and drilled in the armouries. This is the message of "fused" or "participating" control from the puling, unknown Seine in Manitoba to the light of the world on the larger Seine in France.

NATIONALIZATION OF RAILWAYS

Canada, London

As it is quite obvious that, owing either to the force of circumstances or to popular desire, Canada is now committed to a very extensive scheme of State ownership of railways, it is highly important that the system of operating these railways should be most carefully planned. Hitherto the world affords no example, we believe, of any railway system operated under Government which would not provide a more efficient and economical service under private ownership. The German State railways, efficient as they were in many respects, were notoriously employed by the Government to favor certain classes of traffic at the expense of the general public. The experience of the United States abundantly shows that Government control in that country has proved extravagant and costly. On one system, taken over during the war, the Government added in one year 40,000 extra employees and handled considerably less tonnage than in the previous year!

With the example of Germany, the United States, and Australia in front of them, it should be possible for the Canadian Government to avoid the most obvious errors, but it will undoubtedly require a very high standard of statesmanship to draft and to apply regulations which will prevent abuses and extravagance.

THE PREFERENTIAL PROPOSAL

Canadian Gazette

The preferential proposals of Mr. Austen Chamberlain's budget are a natural sequel to the decision taken by the British Board of Trade some weeks ago at the instance of a group of British M.P.s and the Canadian Trade Mission. Mr. Bonar Law was appealed to personally by these members of Parliament, and he intervened on the ground that Imperial preference was a principle of British policy as endorsed at the recent general election. At his instance the Board of Trade laid down the new principle that goods which were the produce or manufacture of countries within the Empire should henceforward be imported without license, while the similar goods of foreign countries continued to be subject to license and rationed importation. Mr. Chamberlain now carries the Empire principle a distinct stage further, and for the first time gives statutory effect to preference by a reduction of duties in the case of Empire goods already dutiable. As Mr. Lloyd Harris says, Canada should, under this principle of preference now initiated, be able to do a considerable trade in goods which were formerly of enemy origin, while under the preference in the Canadian tariff there is plenty of business waiting in Canada for British traders to do if they will only "get after it."

A RISKY OCCUPATION.

Canadian Machinery

The Toronto Globe man has been figuring out the capacity of electric furnaces. Simple thing, too—just as simple as measuring snow with a stick, or stepping off a frontage with your feet.

The *Globe* goes on to say that Toronto has "the largest single electric steel plant in the world as far as known." So far so good. Then the *Globe* goes on to tell its readers just how great this furnace is:

"The ten six-ton Heroult furnaces at the British Forgings plant are capable of turning out sixty tons of high-grade steel per day."

Quite so, but why stop at sixty? The *Globe's* man has proceeded on the good old plan that two and two make four. Therefore, ten six-ton furnaces equal ten times six, which makes sixty! Splendid!

But the *Globe* might be surprised to know that this plant has turned out as high as 350 tons per 24 hours, even with its "sixty tons per day" capacity. As a matter of fact, these furnaces can take a heat every five hours, and if worked at anything near real capacity, can make five heats per day. Taking only sixty tons per day from such an outfit as the British Forgings have would be about the same as having a plant and staff equal to that of the *Globe* for the production of a weekly paper.

The *Globe* is quite right in stating that ten times six makes sixty, but it should also recognize that computing the capacity of electric furnaces is slightly different from painting the political situation at Ottawa.

New Issue

Mattagami Pulp 7% Convertible Debentures

¶ Investors who have purchased into sound Canadian pulp and paper companies when they were in their early stages have secured high yields and eventual large profits.

¶ The Mattagami Company is as well situated for low cost operation as any company we know of in the east. In the long run low cost means high profit.

¶ These debentures yield 7½% at the issue price and are convertible at any time in the next 10 years into common stock.

¶ We have purchased a portion of this issue and recommend it as a well secured investment with prospects of eventual appreciation.

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The Ocean Accident and Guarantee Corporation, Limited

Canadian Head Office—TORONTO W. T. PERRY, Manager for Canada

Dr. BALANCE SHEET, 31st December, 1918 *Cr.*

($5.00 = £1 Sterling)

LIABILITIES.

Shareholders' Capital:— Authorized— 200,000 Shares of $25 each		$ 5,000,000
Subscribed— 12,000 Shares of $25 each (fully paid)	$ 300,000	
112,308 Shares of $25 each ($5 per Share paid)	2,807,700	
124,308	$3,107,700	
Less Uncalled Capital	2,246,160	
		$ 861,540
Amounts due to other Companies for Re-insurances		72,025
Re-insurance and other Funds		297,433
Amounts due to Agents and others		904,685
Leasehold Redemption and Sinking Fund Account		78,985
General Insurance Fund:— Provision for Claims outstanding	$ 8,320,530	
Investment Reserve and General Contingency Fund	1,438,865	
Reserve Fund	1,500,000	
Balance from Revenue Account, including $6,119,485 proportion of premium unearned	15,304,600	
		26,563,995
		$28,778,660

ASSETS.

Mortgages and advances on property within the United Kingdom	$ 632,185
Mortgages on property out of the United Kingdom	96,000
Investments (including those deposited under local laws or by contract in various Colonies and Foreign Countries as security for holders of policies issued there):—	
British Government Securities	7,027,935
Indian and Colonial Government Securities	1,128,170
Indian and Colonial Provincial Securities	147,700
Indian and Colonial Municipal Securities	415,425
Foreign Government Securities	2,611,575
Foreign Provincial Securities	142,580
Foreign Municipal Securities	610,710
Railways and other Debentures and Debenture Stocks—Home, Indian and Colonial	832,430
United States Railway Bonds	5,827,180
Railway and other Debentures and Debenture Stocks—Foreign	2,855,325
Railway and other Preference Stocks	201,220
Railway and other Ordinary Stocks and Shares	405,470
Freehold and Leasehold Premises at Home and Abroad, partly occupied as Offices of the Company and partly producing revenue	1,515,230
Branch, Agency and other Balances	3,097,825
Amounts due by other Companies for Re-insurances and Losses	203,605
Cash:— With Bankers and in hand	949,110
Investments in Trustees' hands to meet Leasehold Redemption and Sinking Fund Account	78,985
	$28,778,660

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NEWS OF THE BOND MARKET

STIFF PRICES ARE STILL PAID FOR NEW ISSUES

More Industrial and Kindred Issues Make Their Appearance

MORE ONTARIO'S

Victory Bond Situation is Favorable and There Are Indications of a Further Early Rise in Prices

Steady absorption of bonds is continuing and while some dealers find conditions quiet, there is a pretty fair volume of buying orders passing through most offices. The Victory Bond situation, which is always a good gauge of the state of the market, is very satisfactory. Demand for all maturities is strong and there are signs that the supply is lessening. This should presage an early rise in prices, particularly as provincial bonds are exhibiting great strength and the Victories are somewhat out of line with them.

An increasing number of industrial and kindred issues are making their appearance and apparently are being well received by investors who appreciate the higher yields available. The close bidding on the various municipal issues, which is cutting down the margins of profit in handling them, is naturally having a tendency to induce bond dealers to seek other issues or to endeavor, by private negotiation, to secure bonds on more favorable terms.

More Ontarios Placed

On Tuesday, the National City Co., associated with Harris, Forbes & Co., made an offering in New York of $4,000,000, three-year, 5 per cent. bonds, of the Province of Ontario at 98⅝ and interest, giving a yield of 5.60 per cent. The issue was secured privately at 100.25, New York funds, at which price the money costs the province 4.90 per cent. The National City Co. handled a $3,000,000 issue for the province earlier in the year. Included in the present transaction was G. A. Stimson & Co., Toronto.

Galt's Fine Price

On Wednesday the city of Galt awarded to the Canada Bond Corporation four blocks of 5½ per cent. debentures, aggregating $63,558.53. Of these $18,558.53 were in 30 instalments and the balance in 15 instalments. The award was made at 101.43. Following were some of the tenders received.

Canada Bond Corporation	101.430
Aemilius Jarvis & Co.	101.240
MacNeill, Graham & Co.	101.210
United Financial Corporation	101.120
Wood, Gundy & Co.	101.080
Housser, Wood & Co.	100.660
National City Co.	100.618
Brent, Noxon & Co.	100.500
C. H. Burgess & Co.	100.260
R. C. Matthews & Co.	100.210
Dyment, Anderson & Co.	100.190
W. L. McKinnon & Co.	100.140

The award of the Shawinigan Falls issue of $132,000 6 per cent. debentures was postponed from May 28 to May 31.

Ancaster and Merrickville

The Canada Bond Corporation was awarded the Township of Ancaster's issue of $17,000 6 per cent., 30-instalment debentures, their price of 107.70 being on about a 5.32 per cent. basis. Following were the tenders received:

Canada Bond Corporation	107.700
A. E. Ames & Co.	107.670
G. A. Stimson & Co.	107.600
C. H. Burgess & Co.	107.160
Wood, Gundy & Co.	107.160
MacNeill, Graham & Co.	107.110
R. C. Matthews & Co.	106.750
W. A. MacKenzie & Co.	106.170
Sterling Bank	106.241
Housser, Wood & Co.	106.110
Brent, Noxon & Co.	106.030
R. M. Bird & Co.	105.906
Morgan Dean, Harris & Co.	105.632
Jas. Kerr & Son	105.586

The town of Merrickville has awarded to G. A. Stimson & Co., an issue of $12,000 20-instalment, 6 per cent. debentures at 103.43, or a 5.60 per cent. basis. Five bids were received, ranging as follows:

G. A. Stimson & Co.	103.43
Wood, Gundy & Co.	103.08
Housser, Wood & Co.	102.29
R. C. Matthews & Co.	101.60
W. L. McKinnon & Co.	100.86

Kentville and Moose Jaw

Following is a list of the tenders received by the town of Kentville, N.S., for its issue of $10,500 5½ per cent., 15-year debentures, the sale of which to the Dominion Securities Corporation was announced last week:

Dominion Securities Corporation	101.03
J. C. Mackintosh & Co.	99.61
W. F. Graham & Co.	99.29
F. B. McCurdy & Co.	99.20
National City Co.	99.07
Sterling Securities Limited	98.77
Nova Scotia Trust Co.	98.52
Standard Bond Corporation	98.25
Brent, Noxon & Co.	98.20
Maritime Trust Corporation	98.00

The FINANCIAL POST has also received a complete list of bids received by the city of Moose Jaw for its recent issue of $210,000 5½ per cent., 20-year bonds, which were awarded on the sinking fund plan to Wood, Gundy & Co.

Sinking Fund Bids

	Bid	Basis
Wood, Gundy & Co.	97.66	5.690
A. E. Ames & Co.	96.69	5.790
C. H. Burgess & Co.	95.87	5.853
Canada Bond Corp (Harris Read Co.)	95.81	5.858
Dom. Securities	95.77	5.867
Housser, Wood & Co.	95.72	5.871
Brent, Noxon & Co.	95.63	5.875
Goldman & Co.	95.55	5.880
R. C. Matthews & Co.	94.52	5.970
Amelius, Jarvis & Co	93.12	6.100
National Bond Corp.	88.90	6.500

Annuity Bond Bids

	Bid	Basis
Wood, Gundy & Co.	96.78	5.890
C. H. Burgess & Co.	96.41	5.935
A. E. Ames & Co.	96.69	5.910
Harris Read & Co.	96.15	5.970
Dom. Securities Corp.	95.89	6.049
R. C. Matthews & Co.	95.03	6.127
N. A. Simpson & Co.	94.41	6.210
National Bond Corp.	90.34	6.760

Burnaby's Offered

Toronto bond houses are being offered participation in the sale of $400,000 6 per cent., 5-year bonds of the district of Burnaby, B.C., by Waghorn, Gwynn & Co., Vancouver. This is the issue which was awarded early last month to the British American Trust Co.

RUSSIAN BONDS DUE

No Funds To Meet Loan Which Matures on June 18 Next

Announcement was made last Saturday in New York that no funds were on hand to pay off the $50,000,000 three-year, 6½ per cent. external Russian bonds, which mature June 18. Unless the situation changes it thus appears that the holders of these bonds will have to wait until the obligation is recognized by the existing or some later Russian Government. The loan was placed by a number of prominent bankers before the Romanoff Government was overthrown.

MATTAGAMI BONDS

Public Offering Now Being Made at Price To Yield 7½%

The Royal Securities Corporation announce this week a public offering of the issue of $2,000,000 Mattagami Pulp & Paper Co., Limited, 7 per cent. sinking fund mortgage debentures, due May 1, 1949. The issue to the public is at 94 and accrued interest, yielding a little over 7½% to the investor. The debentures are convertible into common shares of the company at option of the holder.

SOUTH AMERICAN ISSUE

Bonds of City of Rio de Janeiro are on Offer Here

The Merchants Bank of Canada in association with Imbrie & Co. and the Equitable Trust Co. of New York are offering to Canadian investors participation in a $10,000,000 issue of City of Rio de Janeiro, Brazil, six per cent. serial external secured gold bonds dated May 1, 1919 and maturing from May 1, 1922 to May 1, 1931. Prices range from 98⅝ for the short term to 95⅞ for the long term bonds, yielding approximately 6½ per cent.

HOWARD SMITH PAPER

Public Offering of Bonds was Made By Bond Houses Yesterday

A public offering was made yesterday by A. E. Ames & Co., and Nesbitt, Thompson & Co., of an issue of $800,000 6 per cent. first mortgage, fifteen-year sinking fund gold bonds of the Howard Smith Paper Mills, Ltd. The bonds are offered in denominations of $100, $500 and $1,000 at 93 and interest, to yield 6¾ per cent.

A. E. Ames & Co. point out that the assets securing the bonds are over 2¾ times the amount of the bond issue; that the current earnings exceed those for 1918 which were over four times the bond interest requirement and that the maturity of the bonds is a desirable one.

BONDS ON BUILDING

Office Building in Montreal, the Security for Bond Issue

The particulars are available this week of an issue of $450,000 eight-year, 6 per cent., first mortgage closed secured sinking fund gold bonds of the Dandurand Building Co., Ltd., of Montreal, which was announced two weeks ago in the FINANCIAL POST. The issue is being made at par and accrued interest, and is being offered by the Credit Canada, Ltd., Montreal. The bonds are dater May 1, 1919, and due May 1, 1927, and are payable in Montreal, Quebec and New York. They are secured by a first and only mortgage on the Dandurand building, which it is estimated is worth $775,000. There is outstanding a mortgage of $360,000 due the Mutual Life Citizens Insurance Co., which will be paid off as well as some money to the bank, to complete the construction of the building. In a prospectus it is stated that no other first mortgage bonds or obligations of any kind against the property can be issued without first redeeming the present issue.

BIG BOND ISSUE FOR B.C. LIKELY IN NEAR FUTURE

Vancouver and District Drainage Board to Float $800,000

BUILDING PROGRAM

Half Million Will be Set Aside for Work in Point Grey to Give Needed Employment

VANCOUVER.—Sewer work costing in the neighborhood of $475,000 or $500,000 will probably be started in Point Grey in September by the Vancouver and istrict's Joint Sewerage and Drainage Board. The work will take two years to complete and will give employment over two winters and one summer to about 250 men. Preliminary plans have been made and the work will start just as soon as arrangements are made by the board for marketing the bonds.

At a meeting last week the board decided to authorize the issuance of bonds for $800,000, details of which will be arranged when the Hon. John Hart, Minister of Finance, meets the board in a few days. As the Provincial Government expects to put a big bond issue on the market shortly, it is likely that the board will borrow money for the sewer construction from the banks, which will be possible just as soon as the consent is given to the bond issue by the Government.

Emphasis was given by Mayor Gale, Reeve Fletcher and Commissioner Gillespie this morning to the need of commencing the Point Grey work early in the Fall in order to relieve any unemployment that might exist in the municipality at that time.

On the estimate for the sewer extensions about 60 per cent. of the money will be for labor alone. In addition to the $500,000 which will be set aside for Point Grey another $100,000 will likely be used for purchasing a gravel and sand pit for the board. Other work is provided for in the bond issue.

A BOND REGISTER

Toronto Bond House Offers Investors Copy of Valuable Record

One of the neatest, most durable and serviceable bond registers yet produced has been prepared by the Toronto bond house of R. C. Matthews & Co., Toronto, and is being offered, with the compliments of the firm, to any persons sufficiently interested to write for a copy. The register is strongly bound in leather, is made of heavy paper and contains space for the recording of particulars of over one hundred bonds. Details that may be entered include, name of security, date purchased, amount, per cent., number of bond, denomination, due date, price paid, yield, date of interest payments, annual income, date sold, and sale price. It is a book that will undoubtedly be greatly appreciated by bondholders.

REALTY BONDS

Toronto Bond House Floats Issue Secured by Bank Premises

An interesting bond issue has recently been successfully floated by A. E. Ames & Co. This consisted of $3,000,000, 6 per cent., 30-year serial bonds of the Canadian Realty Co., Winnipeg. The company is the owner of the Union Bank's properties throughout Canada, and the issue is secured by these properties. The bonds are repayable $50,000 each half year for 30 years. No public offering of the issue was made, the whole block being placed privately.

EUROPEAN TRADE

LONDON.—Canada is now supplying ten thousand tons of meat to Italy through the British authorities, and it is understood the Dominion may make further large contracts soon.

A contract has been signed between the Canadian and Grecian Governments for the supply of 25,000,000 tons of wheat to Greece to be transported in Greek tonnage by the London shipping firm of M. Embiricos. Ten vessels of five thousand tons are en route, and during the summer months will mostly call at Montreal.

Medicine Hat's tax rate has been fixed by the council at 33 mills,—17 mills for general city purposes, 15 for public schools and one mill for the supplementary revenue tax. Included in the by-law were the discounts to be allowed for the prompt payment of taxes, these being: On or before July 31st, 10 per cent.; before August 31st, 9 per cent.; September 30th, 8 per cent.; October 31st, 7 per cent.; November 30th, 6 per cent.; December 31st, 5 per cent.

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MONTREAL WINNIPEG

FIELD OF MUNICIPAL FINANCE

MUST NOW CALL FOR TENDERS IN OFFERING BONDS

New Regulations of Quebec Act Explained by Hon. W. Mitchell

POLL ON BY-LAWS

Law Prohibits Giving Aid to Industries Except That Cities and Towns May Exempt From Taxation

MONTREAL.—A clear explanation of the work of Quebec's Department of Municipal Affairs was given at a luncheon of the Montreal section of the Bond Dealers' Association of Canada on Friday of last week by Hon. Walter Mitchell, Provincial Treasurer and Minister of Municipal Affairs. Among the matters emphasized by Mr. Mitchell was the new regulation requiring all municipal corporations, in selling bonds, to call for tenders through the Quebec "Gazette."

"This is an important departure," declared Mr. Mitchell. "Municipal bonds were frequently sold at a sacrifice by administrators who did not realize the real value of their bonds or who were not familiar with market prices. We think that if tenders were called it might help the situation, and a good example of the excellency of this legislation is the recent sale of bonds in the town of Drummondville recently, which sold at $104.05."

No Money—No Contract

Another important provision is that no city or town corporation, with the exception of the cities of Quebec and Montreal, may give out a contract for construction of improvement works unless they have provided for the payment of the works. In other words, if a corporation has not in its general funds sufficient money to pay for any work, the people must vote, and any infringement of the provisions of this article render each member of the council liable to very severe penalties. The contracts themselves are absolutely void if entered into contrary to the foregoing conditions."

Hon. Mr. Mitchell explained that the law creating the Department came into force by proclamation on the 4th of March, 1918, and he was called upon to assume direction by Order-in-Council passed March 8th, 1918.

The first Act created the Department and provided Government control over sinking funds, declared the Minister. The municipalities were forced to provide sinking funds, and deposit them with the Government unless they got permission to the contrary, or regular investment stocks were provided for as authorized by the Lieutenant-Governor-in-Council. The Act also provided for the transmission of auditors' reports to the Department, and the Government had power to cause an audit to be made in certain special cases. An important provision was the fixing of the terms of loans for such work as sewers, waterworks. The time varied from 40 to 10 years, depending upon the durability of the work, for which the loan was to provide the money, the Legislature deeming it equitable that the municipal loans be paid during the life of the work and by the generations which profit by it.

Poll on By-laws

The second law provided that a poll must be held upon all money by-laws. Formerly the law was that a by-law was not necessary unless demanded by six electors. Now municipalities are compelled to vote in all cases, the requirement as to the number of voters required varying according to population.

In the case of a population of 2,000 or more, one-tenth have to vote; less than one thousand, one-fourth have to vote. This percentage is increased if the debt of the municipality exceeds 20 per cent. of taxable property, or if the interest and the sinking fund of the sums borrowed by the municipality absorb one-half of the revenue thereof.

Some Recent Changes

Other changes which Mr. Mitchell pointed out in connection with the Act as passed last year was the fact that it is now absolutely forbidden to give aid in any shape or form to industries, with the sole exception that cities and towns may exempt industries from taxation for a limited period of time.

IMPOSES TAX AGAIN

City of Outremont Will Again Levy Its Habitation Tax

Outremont tenants will have to pay 2½ per cent. habitation tax as last year. The council, at its meeting, this week, decided, without dissent, to collect it for the ensuing year. There were a number of protests from tenants last year, but the municipality won out in the courts. The city of Montreal has this same power of imposing a habitation tax on tenants, but the Administration Commission has as yet passed no by-law putting it into effect. The Outremont tax is collected on the annual rental paid.

BRITISH COLUMBIA'S HEAVY BURDEN

Province Needs Increased Population and Greater Production to Raise Necessary Revenues

VANCOUVER — That provincial tax payers in British Columbia are faced with an unusually heavy burden is evident from the remarks made by Premier John Oliver, at a meeting of members of the Board of Trade in Vancouver recently. The premier made no secret of the fact that taxes were to be increased by forty per cent., stating that in providing for soldiers' settlement schemes, land settlement loans, the housing programme and the Pacific Great Eastern Railway a sum of $11,500,000 had been borrowed, the interest on which made an additional item of $800,000 in interest and sinking fund.

Dealing with the subject of government finances, Mr. Oliver said that the increase of $5,000,000 in the provincial dept was accounted for by a sum of $2,000,000 interest on P.G.E. Ry. guarantee bonds, and $4,000,000 which had been used on capital expenditure. He announced that the expected deficit of $2,000,000 would not occur for the past fiscal year. Next year, he said, the Government expected a deficit of $3,000,000, and he was frank in adding that there was no possibility of its being wiped out. The premier added that the necessities of the hour were a frank facing of the situation, and a strenuous effort to obtain increased population and greater production, to obtain which meant the necessary expenditure of a considerable amount of money.

The premier told an audience for the first time, that a part of the right-of-way of the Pacific Great Eastern would have to be abandoned and other locations selected, the present portions which he referred to after a personal inspection, proving unsuitable.

PREPARING THE WAY

Toronto Getting Ready to Finance Purchase of Street Railway

At Wednesday's meeting of the Toronto Board of Control, Mayor Church introduced the following motion regarding the taking over of the Toronto Railway Co.:

"That a by-law be submitted to the electors at the next municipal election, January 1, 1920, to provide for the expenditure of five million dollars to prepare the way for the taking over of the Toronto Railway Company by the city in 1921, the said by-law to provide for:

"(a) A large number of new and up-to-date cars.

"(b) A reasonable number of extensions to the civic lines, so that the city may be able to give all parts of the city a service in 1921, as far as possible.

"(c) The re-laying of a reasonable amount of track allowances now in a bad state of repair.

"(d) For necessary equipment and rolling stock.

"That Messrs. Harris and Bradshaw be requested to report on a definite plan for the aforesaid, and whether the said rolling stock and equipment and the laying of track allowances shall be done by tender or by day labor in whole or in part."

Controller McBride was of the opinion that it was too big a matter to take up then, and suggested that it be laid over until next meeting.

On motion of Councillor Cameron, the matter was referred to the Transportation Committee for them to submit a report back to the Board of Control within a month.

The assessment of the city of Halifax for 1919-20 totals $36,695,625, of which $11,793,775 represents land values and $24,901,850 improvements.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED

June 1, St. John County, N.B.—$100,000, 5 per cent., 20-year debentures of the County of St. John, N.B.

June 2, Renfrew County.—$16,000, 6 per cent., 5-instalment; $8,000, 6 per cent., 10-instalment and $8,000, 6 per cent., 10-instalment bonds of the County of Renfrew, all for patriotic purposes. —R. J. Roney, County Clerk, Pembroke.

June 4, Ontario County.—$10,000 in 5½ per cent., 10-instalment debentures of the County of Ontario.

June 9, Calgary.—$1,500,000 6 per cent., 5-year notes of the city of Calgary. (See particulars in advertisement, page 16).

June 13, Guelph.—$68,000 5½ per cent., 30-instalment public school and $50,000, 5½ per cent., 15-year sinking fund debentures.—T. J. Moore, City Clerk, Guelph (see announcement, page 7).

June 5, Alberta Schools.—$21,000 in ten blocks of school district debentures, bearing interest at 7 per cent. and maturing in varying years.—J. T. Ross, Deputy Minister of Education, Edmonton, Alta.

By-LAWS PASSED OR DEFEATED

Bronte.—$6,000 in 6 per cent., 10-instalment debentures of the township of Trafalgar to pay for installation of an electric light system, carried by ratepayers May 26 by 65 to 1.

St. Thomas.—$45,000 to improve the street railway passed by 666 majority; $9,000 for Pinafore Park improvement, passed by 226 on May 27.

Scarboro Township.—$25,000 for an addition to the school house of Section 15, passed by council May 12.

BY-LAWS TO BE VOTED ON

June 2, Hensall. — $4,100 in 5½ per cent., 20-instalment debentures to pay balance of town hall debt.

June 6, Verdun.—$225,000, of which $96,000 is to reimburse revenue for capital expenditure and $129,000 to pay shortage in revenue. Bonds will be repayable in 20 years.

June 7, Lancaster Township.—$100,000 for the construction of good roads in the township.

June 16, Newmarket.—$40,000 for the construction of a sewerage system.

June 19, Caledonia.—$20,000 in 6 per cent., 20-instalment debentures for road-building purposes.

DEBENTURE NOTES

Otterville.—Ratepayers of the police village of Otterville voted Thursday on a by-law of the Township of South Norwich, authorizing the raising of $8,000 in 6 per cent., 20-instalment debentures for the purpose of erecting a building for the Tred-Rite Shoe Co.

St. John, N.B.—The city council on May 13 approved of the recommendation of the finance committee that bonds at 5½ per cent. to the amount of $105,000 should be issued to finance the erection of a nurses' home.

SASKATCHEWAN

The following is a list of authorizations granted by the Local Government Board from May 9th to May 17th:—

School Districts. — *Belvoir, $3,250; Theodore, $19,500; Kemptville, $3,500; *Hamburg, $2,500; Cosmopolitan, $2,800; *Macworth, $2,400; Mundell, $4,500.

*To be included in next sale held by the Local Government Board.

Villages.—Dodsland, $1,800.

Towns.—Rosetown, $12,000.

The following is a list of debentures reported sold from May 9th to May 17th:

School Districts. — Tramping Lake, $4,500, to Canada Landed & Nat. Inv. Co., Winnipeg; Pleasant Valley, $3,250, to Wood, Gundy & Co., Saskatoon; Barrier Lake, $1,200, to Western Trust Co., Winnipeg; Sunny Brae, $1,800, to Harris Read & Co., Regina; Grierson, $1,200, to Canada Landed & Nat. Inv. Co., Winnipeg; David, $1,600, to W. L. McKinnon & Co., Regina; Tarnoville, $3,300, to Waterman-Waterbury Mfg. Co., Regina.

Rural Telephones.—Thorndyke, $10,450, to Nay & James, Regina; Hafford, $26,500, to Harris Read & Co., Regina; Valjean, $9,600, to Harris Read & Co., Regina; Luseland, $1,425, to W. L. McKinnon & Co., Regina.

Arthur.—Arthur village will raise $6,000 to complete extensions to their Hydro-Electric system. The money will be raised by 30-year debentures paying six per cent. The public school board, with the approval of the council, is raising $1,000 for improvements, the debentures covering a period of ten years and paying six per cent.

BOND SALES

$12,000 Abitibi, debs., at 99; $1,000 Ames-Holden at 90; $3,500 Can. Bread at 94½ to 94¼; $7,100 Cedar Rapids at 89 to 89½; $2,000 Can. Locomotive at 95 to 94½; $2,000 Cons. Rubber at 96; $1,000 Dom. Canners at 95; $8,000 Dom. Cottons at 100; $1,000 Dom. Iron at 88½; $250 Dom. Textile "A" at 100; $5,000 Montreal Trams at 81½; $4,500 Montreal Trams, debs., at 74; $2,700 Montreal (1922) at 101½ to 100½; $2,000 Montreal (1923) at 101 to 100¾; $12,500 Price Bros. at 85¾; $1,000 Ogilvie "A" at 103; $11,00 Quebec Rly., at 67; $7,000 Sherman-Williams at 94¼ to 98½; $1,000 Steel of Canada at 99½; $3,500 Wayagamack at 88; $460,600 Victory Loan (1922) at 101 to 100¾; $269,750 (1923) at 101 to 100½; $29,050 (1927) at 102½ to 102; $654,000 (1933) at 104⅞ to 104¼; $98,900 (1937) at 106½ to 105⅜; $13,900 War Loan (1925) at 99 to 97½; $15,400 (1931) at 99¾ to 97½; $36,200 (1937) at 101 to 99.

Weekly Record of Government and Municipal Bond Sales

Date	Place and Purpose	Purchaser	Rate	Term	Amount	Price	Basis
May 17	Saskatchewan, schools	Various (see list above)	.....	.....	$ 16,850	.....	.....
" 17	Saskatchewan, phones	Various (see list above)	.....	.....	47,975	.....	.....
" 23	Ancaster Township	Canada Bond Corporation	6%	30-ins.	17,000	107.70	5.32%
" 23	Merrickville, Ont.	G. A. Stimson & Co.	6%	20-ins.	12,000	103.43	5.60%
" 26	Ontario, province	National City Co., Harris, Forbes & Co., G. A. Stimson & Co.	5%	3-yr.	4,000,000	100.25	4.90%
" 28	Galt, Ont.	Canada Bond Corporation	5½%	15-30	63,558	101.43	.....

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100,000	Province of Saskatchewan	5	1939	5.25
100,000	Government of Newfoundland	5½	1939	5.30
100,000	Province of British Columbia	5½	1939	5(30
71,000	Town of Eastview, Ontario	5½	1920-49	5|50
Victory Loan	all maturities	at market.		

For those desiring shorter maturities and higher yield,

We recommend the following:

		%	Due	Yield
$ 30,000	Fraser Companies, Limited	6	1923	6.40
20,000	Fraser Companies, Limited	6	1924	6.40
15,000	Montreal Tramways & Power Co.	6½	1924	6.25

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REAL ESTATE AND INSURANCE

LACK OF HOUSES FEATURES REAL ESTATE FIELD

In All Centres of Population Shortage Drives Up Rents

BUILDING LIGHT

Owing to High Costs and to Labor Troubles, No Great Progress is Being Made in Filling Needs

Of outstanding importance in the present real estate situation in Canada is the shortage of housing. This is becoming more pronounced with the return of more and more soldiers from across the Atlantic and with the utter inadequacy of building programmes, aggravated by strikes in the building trades. Rentals are high almost everywhere, and they are being forced still higher by the scarcity of houses. An effort has been made to drive up the value of houses, whenever sales are made. Land values, however, have not yet responded to any great extent to the pressure, though with an inevitable increase in building, higher prices will come.

THE FINANCIAL POST has recently received reports from a number of points in Canada, particularly in the West, which give a fairly clear idea of conditions in the real estate field in and around these places.

Conditions in Halifax

The housing problem in Halifax is exceedingly serious. The scarcity of houses is unparalleled. It is next to impossible for a new comer to rent a house in this city. None are vacant. If a house should become available, it would be obtainable only on payment of a rental equal to 14 per cent. on its cost if built five years ago, and ten per cent. if erected since. Landlords can obtain simply what they ask. The only way to obtain a house is to purchase, and then a fancy price has to be paid, even in districts of second -class desirability. The renting situation in Halifax reduces itself to this—there are no houses to be rented.

As to property values these are quite 50 per cent. in advance of the figures four years ago. A house that cost $8,000 four years ago, would be considered a bargain now at $12,000. This is not because of the profit there is in a real estate investment, though this is substantial, but for the reason that a man could not to-day replace a $8,000 house of four years ago for $12,000 to-day. This applies to residential properties primarily, but it also is applicable to business premises. Real estate is valuable in Halifax for two reasons, first, because of higher costs in building, and secondly, because of congestion in the business districts. No sites are obtainable for building in the more popular business districts.

Building in Halifax this season promised, at one time, to be brisk, but more recently there was a marked hesitancy because of high costs, which could be met only by those of specially strong finances, and the belief that by waiting these costs would be less. For a month there has been a strike in the building trades in Halifax which has paralyzed everything in the line of new construction.

The fact that no new building is being done, makes those who have properties, hold, and all the more tightly. Real estate in Halifax is indeed hard to get, and what has changed hands has done so at high figures.

Activity in Hamilton

At the present time there is considerable activity in real estate in certain sections of Hamilton. Houses are very scarce and rents have advanced on an average of twenty-five per cent during the past few months. The advance in rents and scarcity of houses, have been to a considerable extent the reason for a great majority of sales, with prices ranging from $1,500 to $15,000, a great proportion of the sales, however, being of varying amounts from $3,500 to $5,500. The largest number of sales have taken place in the south-east, particularly that section known as the "Delta" and at the present time there are about one hundred new houses in construction in that section, value of these houses being from $5,000 up. The south-west is also showing progress, not so much in the building trade, but in the number of transactions of good homes.

A great many builders have up to the present time been rather timid about building, owing to the high price of labor and material, but are now beginning to think that a new standard has been reached and that prices will not materially decline for some years, if at all. Central business property is also in demand, several sales having been put through at good prices.

The situation in Hamilton concerning real estate looks good, and it looks as if the city was in for a big building boom.

Real Estate in Winnipeg

The scarcity of houses in Winnipeg, particularly small houses, is now very marked. All houses fit for occupation are taken up, and it has become a serious difficulty to find accommodation for the troops and their families now returning from overseas. The high cost of labor and materials are adverse factors to investors, building for rental purposes, as the return from capital so invested would be problematical, while other investments, such as Victory Bonds and similar securities offer greater inducements for safety of capital, and income return. The situation is greatly aggravated by the general strike.

These conditions have resulted in a considerable activity in the sales department. There is an especial demand for medium-priced houses under $5,000. Very few houses, or blocks are being erected, and the scarcity will no doubt be accentuated this fall. The speculative element has been entirely eliminated, but some industrial firms are expanding and buying adjoining property or larger premises on a conservative basis.

In the farms lands department there is a healthy demand for wild land, from farmers who wish to bring it under immediate cultivation. A large number of purchasers expected, the wish no doubt being father to the thought, that as soon as the war was over they would be able to buy land at a reduced price; as there has been no reduction, they are now deciding that it is time to purchase. The returned soldiers are buying a considerable amount of improved land, but these sales are having practically no effect on the market prices, on account of the small percentage of land taken up in comparison with the millions of acres of land available. The farm land situation generally speaking, is certainly very good, both farmers and agents are optimistic and look with confidence to the most prosperous era for western farmers just ahead.

Conditions in Calgary

There has been a decided improvement in Calgary's commercial business and retail expansion during the past year. Last year's poor harvest had a retarding effect, but there was so much momentum as a result of the previous bountiful harvests, with war prices, that the development apparently continued, and the population of Calgary is as large at the present time as it has ever been. This means a very considerable increase during the past three years, as it began to fall off five years ago.

There has not been any active demand for retail or wholesale properties. Some sales have taken place at prices considerably below the boom figures of a few years ago, but at figures that should be regarded as encouraging. Warehouse trackage space is not easily obtained. There are no vacant retail stores in central locations. Dwelling houses are decidedly at a premium, and rents are gradually increasing. There is a demand for medium sized modern dwellings in convenient districts, and property suitable for this class of dwelling has been changing hands at fair prices, but considerably below the boom prices of a few years ago.

With the spring opening there was much activity in the sale of moderate sized dwellings, but this demand has fallen off owing principally to increased prices. Contractors who are prepared to build houses for sale are finding difficulty in getting loans from the institutions which were quite willing to lend on that class of security a few years ago. The legislation of the past few years which practically eliminates the personal covenant, which was always looked upon as such an important part of the security, has caused the investing companies to look to other classes of security. Where loans are now being made, the percentage advanced is considerably smaller than that of a few years ago.

Farm land conditions in this part of the country are very satisfactory. The cultivated lands were in good condition for seeding, and the plentiful supply of moisture has assisted the grass lands. There has been an active demand for well improved farms.

In and Around Edmonton

During the past six months real estate conditions in Edmonton have considerably improved, particularly in connection with city rentals. Generally speaking, rentals in the well located business sections and west end residential districts have increased 25 per cent. since the first of the year, and it is the general opinion that rentals will continue to advance. This condition is mainly due to the fact that practically no building construction has been done since the commencement of the war, and, with the return of soldiers from overseas and the gradual influx of new settlers, there is a dearth of accommodation in both well located business and residential sections of the city. The high rentals in the west end residential districts, will no doubt result in the removal of a number of people from the west end to the east end, where comparatively low rentals still prevail, and in a short time a substantial increase in east end property rentals is expected.

It might also be mentioned that a considerable number of houses have changed hands in the course of the past few months. There is no immediate prospect of very much building activity, and it is not thought that any extensive building operations will take place until the price of present house property reaches a figure equal to the cost of building to-day.

As to farm property, there is not the same activity as in the case of city property, although there is a steady and growing demand. Values have been well advanced since during the past two years.

Vancouver Island

The real estate situation on Vanvouver Island is very satisfactory at the present time. Practically every house in Victoria is filled, and it is almost impossible to get a house at all, everything being occupied. There is also at the present time a ready sale for houses, at moderate prices. There have been several sales of very large residential properties which have changed hands to wealthy newcomers, but the general run of sales are the moderate-priced houses to people seeking homes. As long as these houses are offered for sale there will not be much building going on, as they are offered at a price that, with the expense of labor, and the very high cost of material at the present time, they could not be built for. They were built when lumber

COMPENSATION BOARD MAKES FIRST REPORT

Alberta Body Issues Report on Its Nineteen-Eighteen Business

943 ACCIDENTS

At End of the Year, 264 Employers and 10,259 Employees Came Under the Act

The first annual report of the Workmen's Compensation Board of Alberta has just been issued. An outline is given of the steps leading up to the establishment of the board, with statistics as at December 31, 1918. The act under which the boad was named was passed at the 1918 session of the Alberta Legislature and became effective on August 1 last in so far as it applied to industries coming within the scope of schedule 1, and on Jan. 1, 1919, for industries in schedule 2. Practically all industries where manual labor is employed are now within the scope of the act, with the exception of the railways, the farming industry and labor casually employed.

On July 17 an assessment of 3 per cent. on the average monthly payrolls of the industries in schedule 1 was made, using as a basis the twelve months ending May 31, 1918. [illegible]nce assessments have been made [illegible] two months at the same rate[illegible]l amount collected up to Dec. [illegible] with interest, was $94,995, of this sum, $13,441 was expended in payment of claims; $269 on medical aid and $10,378 on expenses and equipment, leaving a balance of $70,904. Of this balance $30,000 was invested in Victory Bonds.

During the period the act has been in operation, up to and including December 31, 1918, there were 943 accidents reported to the board. Of these 362 were finally disposed of by payment of compensation, 284 on which no compensation was payable and 297 to be finally disposed of. There were at Dec. 31, 264 employers and 10,259 employees under the scope of the act. The total amount of the pay-rolls on which the assessments were made was $5,540,512.

The London Mutual Fire Insurance Company

ESTABLISHED 1859

Assets $639,691.53
Surplus to Policyholders 164,317.87

DIRECTORS:
A. H. C. CARSON, Toronto, PRESIDENT
R. HOME SMITH, Toronto, VICE-PRESIDENT
F. D. WILLIAMS, MANAGING DIRECTOR
A. C. McMASTER, K.C. W. T. KERNAHAN
S. G. M. NESBITT G. H. WILLIAMS
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ASSESSMENT SYSTEM
CANADIAN ORDER OF CHOSEN FRIENDS
HEAD OFFICE. HAMILTON, CANADA.

The Order furnishes life insurance to members in accordance with the Standard of the Government of Ontario. Sick and funeral benefits are also given if desired.

No charters are granted to Local Councils outside of Canada. Being confined to this healthful Northern Zone, the death rate is small and rates proportionately low. The Order has already paid over five million dollars in death and disability claims, and over five hundred thousand dollars in sick and funeral benefits.

Over 600 Councils in Canada. If there is not one in your locality there should be. For full information write to any of the following officers:

Dr. J. W. Edwards, M.P., Grand Councillor. W. F. Montague, Grand Recorder.
W. F. Campbell, Grand Organizer. W. H. Woods, M.D., Grand Medical Ex.
HAMILTON - ONTARIO

British America Assurance Co.
Fire, Marine, Hail and Automobile Insurance.
HEAD OFFICE - - LONDON
BOARD OF DIRECTORS: W. B. Meikle, President and General Manager; Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, O.B.E., Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.
Assets over - $4,000,000.00
Losses paid since organization, over - $45,000,000.00

Western Assurance Company
Fire, Marine, Automobile, Explosion, Riots, Civil Commotions and Strikes. Insurance.
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.
Assets over - $7,000,000.00
Losses paid since organization over - $74,000,000.00
BOARD OF DIRECTORS: W. B. Meikle, President: Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, O.B.E., Lt.-Col. the Hon Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.

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For the well groomed man
TEXEND BRACES
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There May Be Unexpected Value In Your Unlisted Securities

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Robert Cassels G. H. Brown

Cassels, Browne & Co.
Members Toronto Stock Exchange

318 Dominion Bank Building
TORONTO

Direct Private Wire to New York, Chicago and Washington

THE UNION BANK OF AUSTRALIA, LTD.

Established 1837. Incorporated 1880
CAPITAL—
AUTHORIZED AND ISSUED. £6,000,000

Paid-up Capital £2,000,000
Res. Fd. £2,050,000 Together £4,050,000
Res. Liab. of Proprietors. . £4,000,000
Total Capital and Reserve £8,050,000

Head Office: 71 Cornhill, London, E.C. 3

The Bank Has 181 Branches, viz:

In Victoria	41
In New South Wales	39
In Queensland	19
In South Australia	14
In Western Australia	21
In Tasmania	3
And in NEW ZEALAND	44

Drafts upon these Branches are issued by the Head Office and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued—available throughout the world. Cable Transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

Canada Permanent Mortgage Corporation

QUARTERLY DIVIDEND

NOTICE is hereby given that a Dividend of TWO and ONE-HALF PER CENT. for the current quarter, being at the rate of

TEN PER CENT. PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

WEDNESDAY, THE SECOND DAY OF JULY

next, to Shareholders of record at the close of business on the Fourteenth day of June.

By Order of the Board.

GEO. H. SMITH,
Assistant General Manager

Toronto, May 28th, 1919.

...oute Your Shipments
CANADIAN NATIONAL

ASSURED MARKET FOR SILVER FOR A LONG TIME TO COME

Production, Owing to War Conditions, Has Fallen Off All Over the World

SCARCITY IN EAST

United States Treasury Will Have to Replace Silver Dollars Melted Down to Increase the Supply

By Resident Representative.

NEW YORK.—The exact effect of the ban on the export of silver on prices, by the Federal Reserve Board, was a moot question for many days after the new ruling came into effect. At first the announcement had little or no effect on the market, a direct reflection of the uncertainty both buyers and sellers felt in regard to the immediate future. This feeling of uncertainty was shared by the American Smelting and Refining Company, the largest producers of refined silver in the world, which in the days that followed the lifting of the ban and the spectacular rise in prices that eventually occurred, did not hold its silver but sold it as it came along.

To-day local opinion is almost unanimously in favor of the view that the silver producers of the world have an assured market ahead of them for a long time to come. Silver, it is believed, cannot go below a dollar an ounce for a very extended period. This opinion is based upon market quotations as they at present exist.

Demand Unsatisfied

In support of this view of the future trend of the price of silver it is pointed out first that not only has the demand for silver been unsatisfied, but that production, owing to war time conditions, has shown a very distinct falling off in all parts of the world, most notably in the United States, within the last year. The extent to which this has occurred is shown in the following tabulation:

Output of Silver for Ten Years.

	U.S. Output	Total Output
1918	67,879,200	160,879,200
1917	71,730,400	163,992,700
1916	74,414,800	161,177,900
1915	74,961,000	178,750,000
1914	72,455,100	160,626,000
1913	66,801,500	223,907,800
1912	63,766,800	224,310,600
1911	60,399,400	225,372,800
1910	57,137,900	222,870,300
1919	54,721,500	211,215,600

The valuation of the output at $153,288,300 is the highest annual valuation on record. This was due, however, not to the size of the production so much as to the high price of the metal. The number of ounces produced in 1918 was little more than that produced in 1914, and considerably less than in previous years.

So far as Mexico was concerned and Mexico produces about half the silver the United States does in normal times, an increase in production was experienced. The increase was close upon one million ounces.

Orient Silver-Hungry

In addition to this drop in the production of silver in the United States, there is to-day a great scarcity of silver in the Oriental market, that great "silver sink." The ban during the last year of the war prevented the normal amount of silver being shipped to the East, except under license of the Allied Governments, and the demand that exists in this part of the world to-day for the white metal is the direct result of this control.

Silver Price "Pegged"

Another thing which, it is believed, at least locally, will help to keep the silver market strong is the result of one of the provisions of the Pittman Act, which authorized the melting down of silver dollars to increase the available supply of silver. While this act permitted the melting down of the dollars, it stated that when the conditions which caused this necessity for melting down the dollars had passed, the secretary of the treasury must replace the dollars melted with silver purchased in the open market at one dollar an ounce. About 230,000,000 of Uncle Sam's dollars were melted to increase the Allied supply of silver after the Pittman Act went into effect. While the Act does not say when the secretary of the treasury must buy the dollars, and perhaps he may never do it, in the meantime, however, unless the law is repealed, silver cannot very well go below one dollar an ounce.

Copper and lead mining companies, with whom silver is an important by-product, are reaping a veritable harvest these days, thanks to the high price of silver, and are looking forward to continuing to do so for some time to come.

Henry Ford tells a New York American correspondent that alcohol will supplant all other fuel as coal and oil, and water will be source of world's power and alcohol will provide other types of power. Ford said he can use alcohol in place of gasoline in an engine and add 10 per cent. to power.

PROFITS WERE CUT IN TWO

Annual Report of International Nickel Shows a Big Contraction in Surplus

The annual report of the International Nickel Co, for the year ended March 31 last shows that a surplus was earned, after all charges and taxes, of $5,922,629. This compares with $10,129,988 the previous year. After deduction of preferred dividends, this equals $3.22 per share on the common, as against $5.73 per share in 1917-18.

The income account for the two years compares as follows:

	1919-18	1918-17
Earnings, all properties	$11,186,305	$15,791,485
Other income	25,216	390,015
Total income	$11,211,521	$16,181,500
Admin. expenses	750,335	610,023
Balance	$10,461,186	$15,571,477
Estim. taxes	2,211,027	3,590,836
Balance	$ 8,247,159	$11,980,641
Deprec. of plants	1,337,644	984,000
Mineral exhaustion	971,885	955,515
Foreign cos. not included	15,000	11,138
Total deductions	$ 2,324,529	$ 1,850,653
Profits	$ 5,922,630	$10,850,653
Pref. dividends	534,756	534,756
Com. dividends	4,183,460	7,530,228
Total dividends	$ 4,718,216	$ 8,064,984
Surplus	$ 1,204,414	$ 2,065,004

In his remarks accompanying the report, president Bastwick says it is futile to attempt to forecast conditions.

"There are certain important factors in the consuming markets, both here and abroad," he says, "that must be reckoned with that are temporarily adverse in character, such as the hesitant condition of industry generally, until the definite consummation of the peace treaty; the presence of large stocks of metal and scrap metal, both in Governmental and private possession; the embargoes against imports in foreign countries, the difficulties of financing and exchanging in the foreign markets, and the possibilities of some restrictive measures as to armaments or trading freely in raw materials being incorporated in the peace treaty.

"On the other hand the company's plants, mines and ore reserves are in splendid physical condition and there has been provided a capacity badly needed by the company to enable it to advance the uses of its various specialty nickel and Monel metal products for commercial uses. Moreover with increasing growth in the uses of alloy steels an increased consumption in that quarter can be looked for."

Up to the signing of the armistice, plants were conducted at full capacity. At the close of the fiscal year, they were operating about one-third capacity.

CONSOLIDATED SMELTERS.

Our receipts at Trail Smelter for the second week of May amounted to 7,018 tons, of which the Centre Star contributed 2,139 and the Sullivan 2,528 tons. For the corresponding week of 1918, receipts were 5,528 tons. Receipts for the company's year to date have been 1919,—206,297 tons; 1918—223,124 tons.

KERR LAKE.

Kerr Lake Mining Co. has declared a dividend of 25 cents a share, payable June 16 to shareholders of record June 2. This is the second dividend this year and calls for a disbursement of $150,000.

McKINLEY-DARRAGH

A dividend of 3 per cent. will be paid to McKinley-Darragh shareholders on July 1, making a total of $202,284 paid so far this year.

TECK-HUGHES.

The Teck-Hughes mine is now producing at about full capacity. During the month of April a total of 2,602 tons of ore was treated, resulting in the production of about $27,216.92. The tonnage reduced averaged upwards of eighty-six tons daily, and had an average gold content of $10.46 per ton.

DOME EXTENSION.

Captain Anchor, manager of the Dome Extension, is reported to have declared that work on the property, which is under option to the Dome Mines, is fulfilling expectations. At the 600-foot level the ore body has been proven to be almost 100 feet in width at one spot, and assays taken by him over some 88 feet, give an average of $5.22 per ton. "Enough ore has been located at this level to pay for the mine under the present option," he said. Good ore has been found at the 1,150-foot level, where the Dome drift has entered the optioned property, but attention is being paid to the 600-foot level, where three cross-cuts are being driven.

PETERSON LAKE.

The annual report of the Peterson Lake Company being sent out in advance of the annual meeting, June 2, shows total receipts for the year ended April 30, of $20,873, of which $15,877 came from ore sales. Mine expenses were $13,102 and office expenses $3,811, leaving a balance as a result of the year's operation of $3,959. The balance sheet shows about $500 cash on hand against which there are more than $4,000 in accounts and bills payable.

NIPISSING

Shareholders of Nipissing Mines Co., Limited, have been notified by the president, E. P. Earle, that the management has recently acquired on favorable terms an important interest in approximately 1,000 acres of undeveloped land in Texas, near producing wells. "As soon as possible, and probably within 30 days," says Mr. Earle, "the drilling of a well will be begun. The results of the operation will be given stockholders without delay."

The Nipissing has declared a dividend of 5 per cent. and a bonus of 5 per cent., payable July 21 to shareholders of record June 30.

With the sale by F. W. Carling to the Banque Nationale of the old King Edward Hotel property at 26, 28, 30 and 32 Rideau street, Ottawa, a lively interest has been revived in commercial property in the city. This is the third big sale in the business district this spring, the other two being the purchase by the Loew theatre people of the site at ... and Queen streets and the Bank of Toronto of the Scottish Rite property on Sparks street. The Carling property sold for $135,000 cash, and the deal was put through by Leddy-McFarlane, Ltd.

We Own and Offer

7% Cumulative Preferred Shares

Eastern Theatres, Limited

(Incorporated under Dominion Act.)

PANTAGES THEATRE

Price: 100

With each 7% Preferred Share the Purchaser will receive a bonus of One Share of Common Stock

CAPITALIZATION.

	Authorized	To be Issued
7% Cumulated Preferred Shares (par value $100.00)	$1,000,000	$500,000
Common Stock (par value $ 25.00)	800,000	800,000

DIRECTORS.

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Waubaushene, Ont.
Pres. Georgian Bay Lumber Co.
Director Toronto Paper Co., Ltd.

J. B. TUDHOPE, M.P.
Orillia, Ont.
Pres. Carriage Factories, Ltd.
Dir. Standard Chemical Iron & Lumber Co.

ALFRED ROGERS
Toronto
Pres. Elias Rogers Coal Co., Ltd.

J. P. BICKELL
Toronto
Pres. Regent Theatres, Limited
Pres. Regal Films, Limited

D. L. WHITE
Playfair & White, Midland, Ont.
Dir. Great Lakes Transportation Co.
Pres. Canadian Dredging Co., Ltd.

F. E. MAULSON
Toronto
Irish & Maulson

N. L. NATHANSON
Toronto
Managing Director Regent Theatres, Ltd.
Managing Director Regal Films, Ltd.

BANKERS
Royal Bank of Canada
Merchants Bank of Canada

REGISTRAR AND TRANSFER AGENT
Montreal Trust Company, Toronto

SOLICITORS
McMaster, Montgomery, Fleury & Co.

Eastern Theatres, Limited

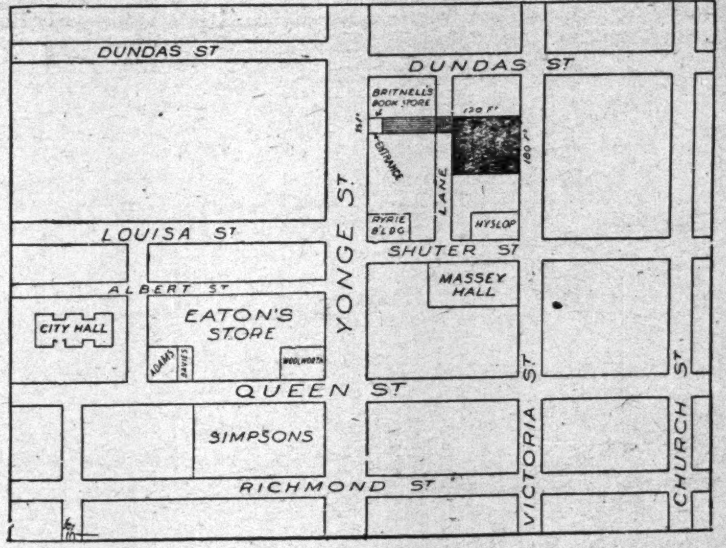
PANTAGES THEATRE

This Company has been incorporated under Dominion Charter for the purpose of owning and operating a circuit of Theatres in Canada similar to the well known Pantages Theatres in the United States.

The Cumulative Preferred Stock is preferred both as to assets and dividends, and at the option of the Company is **redeemable at $110 per share**, and accumulated dividends. No Bond issue can be made by the Company except with the consent of the holders of 66 2-3 per cent. of the Preferred stock outstanding.

The Parent Theatre will be situated on Yonge and Victoria Streets in the centre of the Retail business district of the City of Toronto, with its main entrance on Yonge Street, just north of Shuter Street.

The location of the property on which the theatre will be built is shown on the diagram below.



ASSETS

SITE—The site on which the Theatre will be built consists of a frontage on Yonge street of 25 feet, with a depth of 120 feet. Adjoining this is a block fronting on Victoria Street of 182 feet, with a depth of 120 feet.

BUILDING—Plans now being prepared show that this Theatre when completed will be one of the finest on this continent, absolutely fireproof throughout, with all the latest features known to Theatre construction, and with a seating capacity of 3,500.

MANAGEMENT—The success of any undertaking depends essentially on good management, this being particularly the case in regard to the operation of a Theatre. The success of Pantages Theatres in the United States, as well as in Western Canada, is an excellent example of this. The Pantages Theatre will be booked under a long-term agreement by the Pantages Booking Circuit of New York and Chicago, and will be managed in conjunction with the well-known Pantages Theatres in the United States and Canada.

Mr. Pantages owns outright, controls, or is interested in over 60 Theatres in the United States and Canada, and the phenomenal success attained by his Theatres is well known.

EARNINGS

The net earnings of the Company can be estimated with a reasonable assurance of accuracy by comparison with the individual theatres in Toronto, operating under similar circumstances. It is estimated that after provision is made for operating expenses, taxes, Preferred Stock Dividends, etc., that there should be a **net surplus remaining of $135,000, which would be equivalent to 17 per cent. on the Common Stock.**

This Company being the Parent Company, will derive further earnings through the sale of its booking rights to other theatres intended to be erected in several cities in Eastern Canada.

Prospectus and application forms will be supplied by the following brokers:

T. A. Richardson & Co.
Investment Securities
Royal Bank Building, Toronto.
Phone Adel. 4732-4733

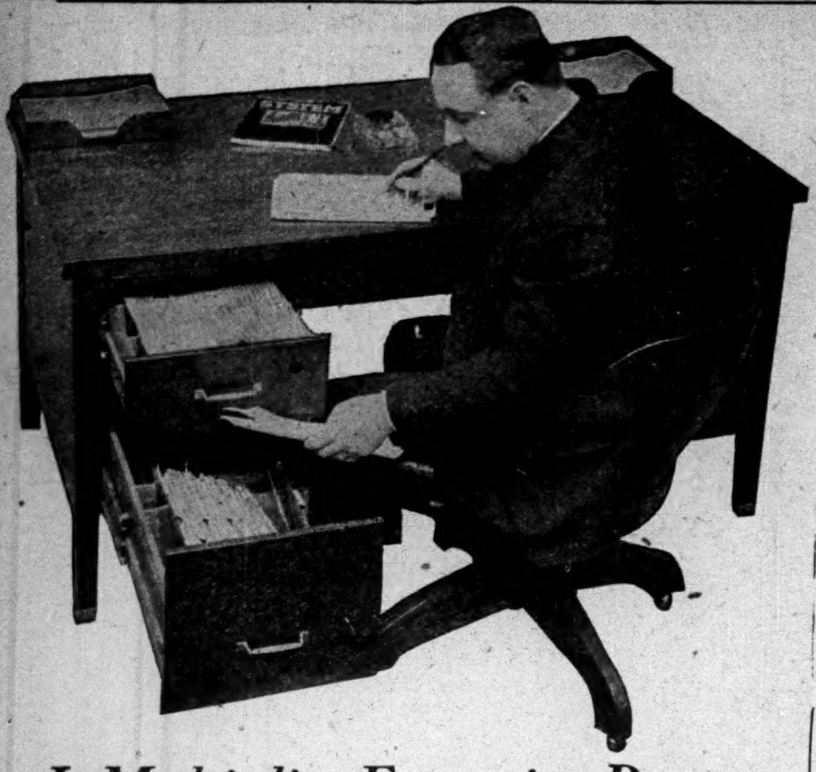
Goldman & Company
Investment Securities
Royal Bank Building, Toronto
Phone Main 602-603

Campbell, Thompson & Co.
Investment Bankers
Canada Life Building, Toronto
Phone Main 1763-1764

Graham, Sanson & Co.
INVESTMENT BANKERS
Members Toronto Stock Exchange
85 BAY STREET, TORONTO
Phone Main 388-389

Write, telephone or telegraph your orders at our expense.

The statements contained in this advertisement are not guaranteed, but are based upon information which we believe is reliable and on which we acted in purchasing these securities.



It Multiplies Executive Power

How to dodge detail—avoid chafing detail work, and at the same time keep your fingers on the pulse of business activity—this, probably, is one of your hardest present-day business problems. If your desk is piled with an agglomerate of papers—if you can't classify and arrange each report, each important paper as it comes to your desk so you'll be able to get it again quickly—detail's going to blur your vision of the big constructive affairs. The "Office specialty"

EFFICIENCY DESK

was built for busy men who handle big affairs—men who count constructive thought a mighty business asset—who want to keep their fingers on the pulse of business, and yet insist on freedom from small detail.

In it you hold right at your fingers' ends important papers, the vital records that keep you in touch with the whole organization, *classified* and available for *instant reference.*

Whether you are the General Manager, Sales Manager, Ad man or Buyer, this automatic "private secretary" is on the job with you and for you every business hour, ready to get, surely and quickly, that very paper you want at a moment's notice.

If you want to know how an "Efficiency Desk" can help you to multiply your executive power by taking care of your detail drop a postal in your mail basket to-night for complete information.

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945

10,000,000 FRANCS BUSINESS AT LYONS

Orders Received by Canadian Firms Through Exhibits at the Annual Fair

In a report to the Canadian Department of Trade and Commerce in reference to the Lyons Fair, W. McL. Clarke states that "owing to import trade restrictions, the orders taken at the Lyons Fair by the participating Canadian firms were not so large as otherwise would undoubtedly have been the case. Yet total orders approximating 5,000,000 francs were actually written off, while prospective business amounting to well over 10,000,000 francs is obtainable just as soon as relaxations are made."

The report continues:

The value of the Canadian exhibit, however, cannot be told in francs and centimes alone. Upon this point there seemed to be an unanimous opinion. Commercial information of the most valuable and diversified kind in connection with export practice was gathered together in two weeks which by other investigating methods would have required months of time to acquire. The needs of many foreign markets in different lines—and buyers visited the Canadian Section not alone from France but from Norway, Sweden, Finland, Poland, Denmark, Morocco, Tunis, Algeria, Nigeria, Italy, Belgium, Switzerland, Spain, Portugal, Holland, Singapore, Turkey, Brazil, and Bolivia—were studied from first-hand sources, and in this way foreign trade customs were both consciously and unconsciously absorbed and an insight into many trade opportunities was had for the first time. Moreover, the forcible re-emphasizing of other opportunities, which Canadian manufacturers already knew were open doors, will also have its beneficial results.

Canada was represented by 55 exhibits as compared with seven last year, and four in 1917. The United States had 618 exhibits, the United Kingdom 415, Italy 157, Spain 722, Switzerland 155, and France and her colonies 2,550.

London cable to Journal of Commerce says, compilation of "Bankers' Magazine" covering aggregate value of 387 representative securities shows advance during May of $224,830,000, or 1.7 per cent., first upward movement since December. Striking feature of advance is it offsets more than half decline of first four months of year.

MR. SAUNDERS MISQUOTED

An Error in His Article in Last Week's Issue

Through an error in transcription, E. M. Saunders, president of the Dominion Mortgage and Investments Association, was misquoted in his article in the Loan and Trust Number of THE FINANCIAL POST. He was made to say that the banks make advances on municipal debentures and mortgages, whereas this reference was to the loaning companies. The passage setting forth the functions of banks and loan companies should have appeared as follows:

"The larger portion of the funds of our banks are used principally for the general development of the country in short-term loans to manufacturers, wholesale dealers, farmers and others, while the funds of the loaning corporations take the form of advances on municipal debentures and mortgages."

Another small error was in the use of the term "stock-brokers" instead of "stock-holders" in referring to investors in securities of mortgage loaning companies.

LIPTON EXPECTS BIG IMMIGRATION

Says Great Many European People Are Planning to Make Their Homes Here

"I am looking for a big immigration to Canada," said Sir Thomas Lipton in an interview with THE FINANCIAL POST, in which he spoke of the prospects for larger tea consumption in Canada and the United States in view of general prohibition. "This country has come so prominently before the world that great numbers of people from England are planning to make their future home here. Thousands of the younger men, men who before the war had been holding indoor positions, office jobs and so on, will never return to work of that kind. They have learned what it means to get away from the desk and the counter and live and work outdoors. They like it and what they have seen and heard of Canadians is making them anxious to come to this country. There will be a big movement towards Canada, there is no doubt."

Sir Thomas stated that he had never seen conditions better in England. "Money has been very free," he said. "There has been and still is unlimited work of everyone and at good wages. There is great activity all over the country."

PREPOSTEROUS HYDRO CLAIMS AS TO EARNINGS

Continued from page 1

company reduced rates following our example."

Going back then to 1908—from years before the sole possessor of public spirit had appeared on the municipal horizon, it is found that the rates in Montreal were 12.75 net.

In 1909 the rate was cut to 10 cents per k.w. hour. (The "Hydro" was yet unborn in Toronto).

In 1910, the rate was 9 cents—a reduction of 3¾ cents in two years—before the "Hydro" was alive in Toronto.

In 1911—still without its beneficent example—Montreal rates were reduced again to 7.5, and another cut took place in 1912.

In 1913 it was down once more to 6.4 cents; in 1914 to 6 cents, and in 1916 to 5 cents, and a further cut in 1919 was checked only by a sudden and unexpectedly heavy demand for increased wages on the part of the employees, after a further reduction already had been forecast.

What has this series of reductions amounted to in Montreal?

In lighting alone, on a total of 195,534,930 k.w. hours, or say 200,000,000 for the ten years, the saving to citizens as compared with 1908 rates would be $15,500,000.

For last year alone the saving amounted to $2,250,000.

And this is for lighting alone, while the "Hydro" figures include power.

But not only in electric lighting, but in gas did the M. L., H. & P. Co. continually—under a "selfish?" private ownership control—reduce rates from $1.20 in 1908 to 80 cents in 1916-1918 (or less than Toronto rates to-day.)

On a total of 19,553,493,000 cubic feet used in the ten years, the saving would amount to $7,000,000 more.

A total of $22,500,000 for the two—excluding a big reduction as well in power rates. And in the past ten years the company has also paid nearly $2,000,000 in municipal, provincial and Dominion taxes.

And this under a private ownership system.

What becomes of the "Hydro" boast in the face of this?—H.H.B.

PANTAGES' THEATRE
Toronto
Eastern Theatres
Limited

7% Cumulative Preferred Stock, with 25% bonus in Common Stock. Unusual possibilities for appreciation and profit. Full particulars on request.

Campbell, Thompson & Co.
Canada Life Building, TORONTO

SUMMER HOME

Wanted to sell or rent for the summer months, Linden Grange, St. Andrews, New Brunswick, the residence of Lady Tilley. Apply to L. P. D. Tilley (Barrister), St. John, N.B.

MINES — TIMBER

This Company maintains a special department for the investigation of development propositions in Western Canada, and only those of sterling merit are commended to the consideration of our clients.

LOUGHEED & TAYLOR, Limited
Government, Provincial, Municipal and School Bonds
Calgary, Canada

THE STANDARD BANK OF CANADA ESTD 1873

SERVICE.—This Bank, for the past 45 years, has done its share in the development of the business of the Dominion. Our experience and equipment are at the service of every customer. 293

THE
STANDARD BANK
OF CANADA
MAIN OFFICE
15 KING STREET WEST
15 BRANCHES IN TORONTO

A Silent Partner

FOR YOUR BUSINESS

Here is an opportunity to take an associate into your business whose financial backing will add to the credit and security of your Company.

Our Commercial Protection Policy says in effect:—

"Without asking for a voice in its management, I will stand ready to lend you money in time of need.

If you, or a member of your firm, should die, I will guarantee to pay at once the amount of the money value to the business that is placed upon the life and energies of the deceased.

This fund will solve the problems of replacement and readjustment as nothing else can do and will carry on the business without loss.

For these services, I simply ask you to pay a small yearly rate of interest—about 3% or 4%—on the fund that will be placed at your credit through a Commercial Protection Policy in the

CANADA LIFE ASSURANCE COMPANY
TORONTO"

Ask for our Business Insurance Folder illustrating This Commercial Protection Plan.

Stock Movements of the Week

Week ending May 29, 1919.

	Ask	Bid	High	Low	Close	Sales	Yield to May 22
Banks—							
Commerce	204	203	203½	201	202	96	5.96
Dominion	207	206	208	206	206	90	5.82
Hamilton	182½	...	182	181½	182	46	6.48
Imperial	...	197	197½	197	197	192	6.09
Merchants	...	195½	195¼	195	195	247	5.64
Molsons	198	...	197½	197½	197½	1	6.06
Montreal	220	217	220	218	218	26	5.45
Nova Scotia	...	275	275	274	275	26	5.86
Royal	...	212½	213½	212	213½	12	5.66
Toronto	199	198	198	198	198	4	6.06
Transportation—							
Barcelona	10¾	10¼	10¾	10¼	10¼	255	...
Brazilian	59	58½	59	57¼	58⅞	3,025	...
Can. Steam., com.	50¼	49¾	50½	44¾	49⅜	816	...
Do., pref.	85¼	85	86	83¾	85¼	3,751	8.23
Detroit United	107	...	107½	107	107½	608	7.40
Quebec Railway	19½	18½	19½	19	19½	202	...
Toronto Railway	38¼	38	40½	29¼	29¼	218	...
Twin City	52	53	53	49	53	405	8.16
Telegraph, Light and Power—							
Bell Telephone	125	...	130	124	124	58	6.06
Consumers Gas	151½	...	151½	151	151	56	6.62
Mackay, com.	81	80½	81¼	80	81¼	14	7.40
Do., pref.	...	66	66½	66	66	21	6.06
Montreal L.H. & P.	90¼	90⅛	91	90	90⅛	2,122	4.36
Ottawa L. H.	...	...	81	81	81	1	7.31
Shawinigan	125	...	125	124¾	124¾	65	5.60
Industrials—							
Abitibi Power, cm.	80	...	80	80	80	57	8.75
Ames-Holden, com.	38	35	37½	35	37	295	...
Do., pref.	86	85	89	81⅞	86	1,940	...
B.C. Fish, com.	49	47½	49⅝	49	49	115	10.00
Brompton Pulp, cm.	61	60½	63	60¼	62¾	3,989	8.19
F. N. Burt, com.	91	...	90⅛	89¾	89¾	35	8.88
Do., pref.	...	...	95	95	95	35	7.36
Can. Car, com.	...	30	31	30	30	165	...
Do., pref.	90¾	90¼	91¾	89¾	90½	516	7.69
Can. Cement, com.	66⅜	66	68	66	66¼	1,275	8.90
Do., pref.	...	100½	101¼	100¾	101	121	6.93
Can. Converters	56	55¾	56¼	56	56	135	8.92
Can. Cottons, cm.	84¾	...	85½	84	84	320	7.05
Do., pref.	86	...	86	85½	86	30	6.97
Can. Loco., com.	69¾	69	69½	68½	69¼	550	8.82
Do., pref.	...	92	92½	90	92½	290	7.60
Can. Gen. El., cm.	115½	...	115½	114	114	101	6.95
City Dairy, com.	...	62½	62½	62½	62½	20	...
Dom. Canners, cm.	42½	41	43¼	42	42	474	...
Do., pref.	91	90¼	90⅞	90	90⅞	109	7.77
Dom. Stl. Corp., cm.	62¾	62	64	61½	62	3,621	9.83
Dom. Iron, pref.	...	98	99	99	99	33	7.00
Dom. Coal, pref.	...	...	98	98	98	10	7.14
Dom. Textile, com.	118	117½	119½	117	117	1,053	6.83
Do., pref.	106	...	104	104	104	2	6.66
Laurentide	219	218½	223¾	218½	223¾	2,260	5.47
Lyall Con., com.	...	...	70	69½	70	75	11.94
A. Macdonald	25½	25	27	25	27	536	...
Maple Lf. Mill, cm.	164	160	167½	164½	165¼	555	5.98
Do., pref.	105	103	105	104	104½	34	6.66
Mon. Knit., pref.	...	88	89	88	89	25	7.95
N.S. Steel, com.	...	76	77½	70	77½	951	7.24
Ogilvie Flour, cm.	260	254	257	250	257	510	4.63
Do., pref.	...	...	109	109	109	5	6.54
Ont. Stl. Prod., cm.	34¾	34	35	33½	35	790	...
Penmans, com.	...	94½	95	94½	95	85	6.38
Do., pref.	92	...	92	92	92	20	6.45
Riordon Pulp, com.	128¼	128	130	125½	125½	165	7.75
Do., pref.	...	97½	98¾	98¾	98¾	25	7.21
Wm. A. Rogers, cm.	55	50	53	50	50	50	...
Sawyer-Massey, cm.	15	12¾	12½	12½	12½	25	...
Do., pref.	44	41½	41½	40	41	61	...
Smith Paper, com.	...	66	70	66¼	70	170	...
Span. R. Pulp, cm.	27½	27	27	22	27	12,870	...
Do., pref.	105¾	104½	105¾	95½	105¾	9,610	...
Steel of Can., cm.	65	64	65¾	63	64½	3,959	9.52
Do., pref.	98	...	100¾	96½	96½	159	7.14
St. Law. Flour, cm.	107½	107	110	107	108	1,285	5.66
Do., pref.	...	...	92½	92½	92½	5	7.77
Tooke Bros., pref.	86	...	86	82	85¾	320	8.64
Toronto Paper	...	...	75	75	75	15	8.00
Tuckett Tob., com.	37	32	38	38	38	45	...
Do., pref.	88½	...	88	88	88	10	7.95
Wabasso Cotton	...	85	85	85	85	45	7.14
Wayagamack, com.	...	...	50	50	50	35	...
Woods Mfg., com.	95¼	...	95	95	95	50	7.00

Call For Tenders

City of Calgary
Province of Alberta, Canada

SEALED tenders, marked "Tenders for Purchase Treasury Notes," addressed to THE CHAIRMAN FINANCE COMMITTEE will be received at the office of the City Clerk up to three p.m. (Mountain Time) of Friday, June Ninth, for the purchase of the whole or in part of the issue of $1,500,000 (one million five hundred thousand dollars) six per cent. (6%) City of Calgary five-year Treasury Notes, redeemable at maturity, or drawings at interest periods. Interest payable semi-annually. Issue on security of general credit of city, and if required by hypothecation of proportion of arrears of taxes purchaser's solicitors approval. Proceeds of issue payable two hundred and fifty thousand ($250,000) dollars on acceptance of bid, balance thirty, sixty and ninety days, or at purchaser's option, over above period.

Financial statement and detailed particulars on application to the CITY TREASURER, CALGARY. City reserves right to accept or reject any or all tenders in whole or in part, or to accept any bid on a basis other than as above specified if in the city's interest so to do.

J. H. MERCER,
City Treasurer.

Calgary, Alberta, May 29, 1919.

Route Your Shipments
CANADIAN NATIONAL

The 1919 report of United Shoe Machinery for the fiscal year ended March 1, though satisfactory enough in the 22 per cent. gain in operating net revealed, was hardly extraordinary in any respect. It was bettered back in 1917 when profits totaled $8,174,000, or about 9 per cent. more.

A New York Stock Exchange seat sold for $90,000, compared with previous sale of $89,000 and record price of $94,000 in 1910.